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TUESDAY, JUNE 19, 1958

THE JERUSALEM POST

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MARGINAL COLUMN

By Sebastian Haffner

THE third anniversary of the unsuccessful East German rising of June 17, 1953, was celebrated on Sunday in West Germany as the "Day of German Unity." In East Germany the anniversary was publicly ignored. Policy there, after a short period of polemics against the "Fascist putsch" has been to commit the ominous day to oblivion and never to mention it. In fact, however, memories of the day will be livelier and deeper among the East Germans than among the West Germans who were mere passive spectators of events when they actually happened. It is an odd thing that the two "historic days" of the recent German past are both days of failure and tragedy. They are July 20, 1944, the day of the abortive revolt against Hitler, and June 17, 1953, the day of the defeated rising in East Germany. The first is now a matter of history. The second is not. By no means all the facts about June 17, 1953 are yet fully known, and the consequences of the day are still an important factor in present politics.

●

WHAT happened in general outline, was that, following a strike and protest march of East Berlin building workers on the preceding day, large-scale unrest broke out simultaneously in East Berlin and in many other cities and towns of East Germany. There were demands for the resignation of the Government, public buildings were stormed and prisoners freed. Police and officials showed themselves frequently half-hearted in resistance but half-way through the day Soviet troops, partly armoured, were called out to restore order, and their appearance quickly ended the rising.

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MANY other things remained in the dark and remain so to this day. The most interesting among them concerns the Soviet side of the story. There were many and substantial indications at the time that the Soviets themselves, in cooperation with elements within the East German Government, had been planning a "revolution from above." Important alleviations had been proclaimed a few days before; there were strong and persistent rumours that some of the most powerful figures in the East German Government, especially Herr Ulbricht, were about to be dropped, and various official moves pointed towards a genuine "liberalization" of the kind that simultaneously took place in Hungary. It has sometimes been suggested that it was this very atmosphere of impending major changes which encouraged the rising; and that it was the rising itself which alarmed the Soviets and made them give up their previous plans. It is impossible, on the basis of present knowledge, to say for certain whether or not this was the case.

●

THE three years which have since passed, have, of course, brought many changes both in East Germany and in the international field; the situation today is different from that in June, 1953. But the basic problem which that day illuminated, persists. From the Soviet point of view, it is the problem whether they can dare to relax their grip on East Germany or whether they have to hold on for fear of a violent explosion. The East German regime, substantially a survival from the days of Stalin, is today, probably even more than three years ago, in many ways an embarrassment to major Soviet policies. It is probably not a far-fetched speculation to assume that Mr. Khrushchev and Mr. Bulganin would prefer a more relaxed, more popular system in East Germany, something more in keeping with the changes which have taken place in the Soviet Union itself, and more capable of establishing contact with the West German Left. But the memory of June 17, 1953, stands in the way of any large practical moves in this direction. It tends to keep the Soviets — and, incidentally, also the East German Communists — immobilized in their present positions.

Berlin, June 18.

Bonn Preparing Note to Big 4 On Reunification

BONN, Monday (Reuter). — The West German Chancellor, Dr. Konrad Adenauer, said here today the Foreign Ministry had prepared a note to the Big Four powers on the question of German reunification.

Dr. Adenauer, speaking to journalists about his U.S. visit, said he had "still the hope, in spite of the declarations made in Moscow" that the Soviet Prime Minister Marshal Nikolai Bulganin, would fulfil the commitment he gave him verbally during their Moscow talks last September to restore German unity.

The Chancellor said his hope for German reunification had nothing to do with his talks in the U.S., adding that his note on reunification would be sent to the Big Four powers soon.

He also said that talks would begin soon between representatives of the North Atlantic Treaty Organization states to co-ordinate their reply to the Soviet Premier, who proposed recently that the powers disarm without waiting for an agreement in the United Nations.

Hope Seen of End To Morocco Ban

PARIS, Monday (UP). — Dr. Nahum Goldmann, President of the World Jewish Congress, said yesterday that talks are under way with Morocco and that he hoped the ban on collective emigration of Jews to Israel would be lifted "soon."

The Moroccan Cabinet has been reported here to be split over the ban enacted last week and some members were said to consider it damaging to the young state's prestige.

The action caused an outcry in Western capitals. French newspapers, already embittered over alleged Egyptian meddling in French North Africa, have charged that Morocco enacted the ban under pressure from the Egyptian-led Arab League.

Dr. Goldmann said he had not heard about additional restrictions on individual emigration from Morocco. This reportedly went into effect on Saturday. "If this proved true it would mean another clear violation of the pledge Morocco made to respect human rights," he stated.

"Le Temps de Paris" said editorially that the move was Egyptian-inspired, and that the Moroccan Government appears to have fallen into a trap sprung by the Arab League which fears increased emigration to Israel. It said that Morocco appears to have been "hypnotized by the Cairo fanatics," and warned that the ban could "seriously upset" Moroccan chances of joining the U.N.

Stevenson is Certain Of Presidential Nomination

CHICAGO, Monday. — Mr. Adlai Stevenson told reporters at a political rally last night that triumphs in primary elections had assured him of the nomination as the Democratic National presidential candidate at the November elections.

He added that he expected to go to the Democratic Convention on August 13 with 500 delegate votes behind him. It will take 686 and a half votes for the bare majority to win the nomination.

Mr. Stevenson reiterated his belief that Governor Averell Harriman of New York will be his closest opposition.

Senator Estes Kefauver who opposed Mr. Stevenson in a series of primaries, said he would support him if he won the nomination.

Meanwhile, Mr. Harriman's campaign managers are passing the word that the Governor now has a first-ballot strength of 190 to 210 votes ready for the Democratic convention. *(Reuter, UP)*

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Soviet Urges Egypt To Play More Int'l Role

By GEORGE LICHTHEIM, Jerusalem Post Correspondent

LONDON, Monday. — Reports from Cairo that Foreign Minister Dmitri Shepilov will visit Athens after passing through Damascus and Beirut following the conclusion of his Egyptian visit are taken to mean here that Moscow sees the time ripe for disintegrating the Balkan alliance.

This is also the interpretation placed on Abdul Nasser's forthcoming meeting with Premier Nehru and President Tito at Brioni in connection with his stay in Yugoslavia next month. The Brioni meeting itself would not be wholly satisfactory from Moscow's viewpoint since it brings together three leaders committed to steering midway between Russia and the West, but there is reason to believe that during Tito's current stay in Russia this matter was straightened out.

The Russians apparently feel that Egypt can become a counter-weight to Turkey and a factor for neutralism provided Abdul Nasser is able to lift his eyes from the local struggle with Israel and made to realize that he can play a bigger part on the world stage by strengthening Egypt's Mediterranean links with Greece and Yugoslavia.

Target: Baghdad Pact

"Shepilov is beginning to acquire a reputation as a kind of chaperon of Egypt in world affairs," the correspondent of "The Times" commented a little sourly today. Somewhat to the surprise of resident British observers, the Russians are not employing their new influence in the direction of sharpening Egypt's antagonism to Israel. Their objective is still the Baghdad Pact, and secondarily, the Anglo-Egyptian treaty, which despite Sir Brian Robertson's incongruous presence at the current celebrations, is hardly being mentioned in the controlled Egyptian press.

Latest unofficial reports from Cairo suggest that for the rest, Mr. Shepilov's discussions with Abdul Nasser and his colleagues have ranged largely over economic grounds. Three subjects are particularly mentioned: Soviet assistance in building the Aswan dam, guaranteed annual Soviet purchases of a rising proportion of Egypt's cotton, and technical education of Egyptian students in Russia.

Progress Expected

There is reason to believe that next Friday's joint communique will indicate significant Soviet progress in several of these directions. With an agreement in his pocket, Mr. Shepilov is expected to make similar overtures to the Greek Government and, indeed, the latest Athens reports suggest increased activity on the part of the American Embassy to reach at least the beginning of a compromise on Cyprus in advance of Mr. Shepilov's much-feared appearance in the Greek capital, where he clearly intends to work on Greek resentment of British policy.

The most that can be said here is that the British Government is "studying a fresh approach" to Cyprus.

Nasser Hoists Flag Over Navy House

PORT SAID, Monday (Reuter). — Premier Abdul Nasser, smiling broadly, today hoisted the Egyptian flag over Navy House to mark the end of Britain's 74-year occupation of the Suez Canal Zone.

The crowd cheered wildly, ships of many nations sounded sirens, and the guns of Fort Kaid Bey, silenced since a British bombardment in 1882, boomed out as he proclaimed Egypt free and independent. Soon afterwards a convoy of 42 ships entered the Canal from the Mediterranean and another, mainly oil tankers, emerged to head northwards.

The ceremony at Navy House, last Canal Zone installations occupied by the British forces before their departure last Tuesday, marked the beginning of four days of festivities.

Special guests of the Government for the celebrations include the Soviet Foreign Minister, Mr. Dmitri Shepilov, and the former British Commander in the Suez Canal Zone, Gen. Sir Brian Robertson.

Egypt 'Neutral'

Premier Nasser drove to Ismailia to address a rally after the Navy House ceremony. In an interview with the newspaper "Al Shaab" today, he said that Egypt was "neutral in the East-West struggle."

Among the battles which lay ahead for Egypt was "consolidating the independent Arab bloc and its defence against Zionist and imperialist conspiracy," he said.

Meanwhile, in the Egyptian-held Gaza Strip, a new "Palestine Arab Army," led by commando units, was parading to mark the Suez evacuation...

Two hundred Egyptian political prisoners were released today, including many described by the authorities as "Communists." This was in accordance with a promise by the Premier to free political detainees by evacuation day. Criminals who had served more than half their sentences were also released under a general amnesty law.

Poland Sets Free Senior Officers

LONDON, Monday (Reuter). — A group of senior Polish officers sentenced in 1951 to long prison terms for espionage have been released because evidence which convicted them was secured by "unauthorized methods of investigation" the Polish news agency P.A.P. said today.

The news agency also said that Mr. Josef Rozanski, former Investigations Director in the Polish Security Ministry who was convicted last December for a miscarriage of justice, would be retried because his present five-year sentence was "too lenient."

This was announced by Mr. Marian Rybicki, Poland's Prosecutor General in a statement to the Polish Newspapers "Trybuna Ludu" and "Zycie Warszawy," the news agency said. The rehabilitated officers were all sentenced with Gen. Stanislaw Tatar and Brig.-Gen. Jerzy Kirchmayer in 1951. These two officers and several others were released last month.

CZECHS DROP LIFE IMPRISONMENT

PRAGUE, Monday (Reuter). — Sentences of life imprisonment will be dropped in Czechoslovakia from the beginning of next year, the Communist Party Newspaper "Rude Pravo," said today.

Sentences of 25 years will replace life imprisonment as the alternative to the death penalty which will continue in force.

The decision was made by a commission set up at the end of March to examine the criminal code and prosecution procedure following admissions of breaches of "socialist legality" in the past.

15 of 21 New U.N. Observers in Jerusalem

The U.N. spokesman told the Arab News Agency in the Old City yesterday that 15 of 21 new observers have already arrived in Jerusalem.

He said that this week the first two Netherlands observers will arrive, bringing to 59 the number of U.N. observers in the Middle East. Eighty officials, secretaries, guards, and experts complete the U.N. staff list.

The Acting U.N. Chief of Staff, Colonel Hommel, told the agency that Gen. E. L. M. Burns will arrive in Beirut this morning and is expected later in the day in Jerusalem.

Afro-Asians Asks U.N. Meeting on Algeria

NEW YORK, Monday. — Thirteen nations of the Asian-African group at the U.N. have asked for a meeting of the Security Council to consider the "grave situation" in Algeria, it was announced at U.N. Headquarters today.

It was learned on good authority that the Council would probably meet on Thursday.

The nations signing the request for the meeting were Afghanistan, Egypt, Indonesia, Persia, Iraq, Jordan, Lebanon, Libya, Pakistan, Saudi Arabia, Syria, Thailand and the Yemen. *(Reuter)*

Shepilov Reported Invited to Israel

NEW YORK, Monday (INA). — The Israel Government has invited Foreign Minister Dimitri Shepilov of the Soviet Union to visit Israel during his current trip to the Middle East, the "New York Herald-Tribune" reported from Tel Aviv today.

Thus far the invitation has met with silence in Moscow and it is considered unlikely that Mr. Shepilov will come to Israel, the report said.

It was understood that the Israel invitation to Mr. Shepilov was extended by Mr. Walter Eytan, Director-General of the Israel Foreign Ministry who was in Moscow when the Soviet Foreign Minister announced his intention to visit the Middle East. Mr. Eytan did not speak to Mr. Shepilov himself, but extended the invitation through another high Soviet official.

Observers believe that the invitation was extended with the almost certain knowledge that it would not be accepted and that the intention was to illustrate as clearly as possible the "onesidedness" — as it is termed here — of the recent Soviet venture into Middle East affairs.

EYTAN ARRIVES

LYDDA AIRPORT, Monday. — Mr. Walter Eytan, Director-General of the Foreign Ministry, returned by El Al today from a four-week inspection mission of Israel missions in Europe.

Mr. Eytan cut his tour short, and did not visit Hungary, Rumania or Bulgaria as previously planned. However, he did visit Moscow, Warsaw, Belgrade and Vienna.

The outgoing Foreign Minister, Mr. Moshe Sharett, met him at the airport.

In the U.S.S.R. Mr. Eytan met the Deputy Foreign Minister Mr. Semenov and explained to him Israel's stand on pressing international questions. Special attention was given to the apparent discrepancy between the joint British-Soviet Declaration and the Soviet insistence on suppressing the peace clause in the recent Security Council resolution.

The talk was held in a "comfortable" atmosphere, Mr. Eytan said. He met Deputy Foreign Ministers in Yugoslavia, Poland and Czechoslovakia, and the Director-General of the Foreign Ministry in Austria.

Mr. Eytan held his first business meeting since his return at breakfast table in the Airport restaurant with senior officials of the Foreign Ministry. Cherries brought by Mr. Eytan adorned the table. *(Itim)*

Tito Resumes Talks

LONDON, Monday (Reuter). — President Tito of Yugoslavia and Soviet leaders resumed their talks in the Kremlin today, Moscow Radio reported.

New British Proposals For Cyprus Solution Expected

LONDON, Monday (Reuter). — A new wave of casualties in Cyprus anti-terrorist sweeps has intensified parliamentary interest in an expected government statement this week on the troubled colony.

Fresh conflict on the island over the past week has involved so far the killing of 24 British servicemen and injuries to 32 others.

These developments occurred at a time when, in London, Government Ministers have been conferring with Field Marshal Sir John Harding, Governor and Commander-in-Chief on the security situation in the island, on the possibility of progress in its constitutional future.

Parliamentary circles are asking how far any new government proposals may resemble a plan put forward by Mr. Francis Noel Baker, Labour member of the Commons who recently was an unofficial intermediary in the Cyprus constitutional negotiations.

Mr. Noel Baker in a talk with Reuter today outlined his plan, on which there was no government comment in this way:

1. The British Government should produce and discuss privately the final draft of a new constitution which must include provision for a Greek elected majority.
2. A date might be announced when self-determination would be applied in Cyprus.
3. During the intervening period guarantees must be written into the constitution safeguarding the rights of the Cyprus Turkish minority.
4. During the transitional period it should be possible to concentrate military installations into an area over which Britain would continue to retain sovereignty after self-determination.

In Nicosia today, it was announced that 19 British servicemen were killed and 18 seriously injured in a forest fire in south-west Cyprus last night.

The fire was finally put out today after about 500 Cypriot volunteers worked all night side by side with British troops, ignoring the danger of exploding petrol tanks and ammunition. Cypriots had been excluded from the area until the fire, which started on Saturday, was whipped out of control by a change of wind yesterday afternoon.

More than 5,000 troops have been on a week-long sweep in the area for terrorists.

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whether you serve ice cream at lunch, dinner or any other time. It is important that you serve delicious tasting "KARSAN" OSEM Ice Cream which is available this season in four mocca and chocolate. It only takes a few minutes to prepare. It's so easy that even children can prepare this refreshing dessert, when mummy is too busy. "KARSAN" OSEM is unsurpassable.

Ben-Gurion Tells Knesset Of Top Change in Foreign Ministry

Mrs. Golda Myerson, the new Foreign Minister, shown on her way to a Cabinet meeting at the Prime Minister's office in Jerusalem yesterday. Photo by Schlesinger

Sharett Explains Resignation

Prime Minister David Ben-Gurion last night informed the Knesset of the resignation of Mr. Moshe Sharett as Foreign Minister and of the Cabinet's decision that Mrs. Golda Myerson, the Minister of Labour, take over the Foreign Ministry.

He also announced the Government's decision to co-opt Mr. Mordechai Namir, M.K. and Secretary-General of the Histadrut, as Minister of Labour.

Although Mr. Ben-Gurion did not give any reason for Mr Sharett's resignation, Mr. Sharett himself followed with a brief personal explanation of how he had "reached the absolute conviction that it was impossible" for him to remain in the government headed by Mr. Ben-Gurion. (See adjoining column).

Seven hours were allotted to a debate on the Prime Minister's announcement, and the first three members spoke last night — Mr. M. Begin (Herut), Mr. P. Bernstein (General Zionists) and Mr. Y. Kesse (Mapai).

Mr. Ben-Gurion said he was certain that the news of Mr. Sharett's resignation had been received with "profound regret" not only by the members of the Cabinet and his party colleagues, but also by large numbers of Jews and non-Jews both in Israel and abroad.

The Prime Minister said that since the establishment of the State there was not a single Minister, perhaps with the exception of the Minister of Justice, so obviously fitted for the task imposed on him as was Mr. Sharett to head the Foreign Ministry.

23 Years' Service

He mentioned Mr. Sharett's "thorough understanding of international affairs, wide culture, tact, and agreeable manner."

Mr. Ben-Gurion said that he would not attempt to sum up Mr. Sharett's achievements "during a period of 23 years as a Foreign Minister of his people" since Mr. Sharett's political activity had not come to an end.

"His advice will be gratefully received by all those who will in the future have to mould Israel's foreign and internal policy."

Mr. Ben-Gurion said that the policy of the Government as a whole would be conducted, in future as in the past, according to the Government's Basic Principles; its security and foreign policy, in particular, would be conducted in accordance with his address to the Knesset on November 2, when the new Government was presented, and which was delivered with the consent of all members of the Government.

Mr. Sharett said that last August he had asked Mr. Ben-Gurion not to include him in the Government the latter was then forming, for he had reason to believe that co-operation between them "would not be successful this time." The Prime Minister had rejected his refusal.

But in recent weeks, Mr. Sharett said, it had become clear that his resignation was unavoidable. He emphasized that this had no connection with any specific political problem, event or incident.

Mr. Begin, the first speaker in the debate, wondered why

(Continued on Page 2, — Col. 1)

Reasons are Not Political—Sharett

In a ten-minute personal statement Mr. Sharett yesterday addressed the Knesset as follows:

I thank the Prime Minister for the words of appreciation which he has spoken of me to the Knesset. I wish to express my thanks to the Knesset for the measure of trust which it has accorded me during my period of office as Foreign Minister and for the attention and patience with which it has favoured me.

In connection with my resignation there have appeared some well-considered comments on the one hand, and much that is nonsensical on the other. In order to assist the members of the Knesset to discern between truth and falsehood, I wish to bring the following facts to the attention of the House.

Recalls 1955 Request

In August 1955 after the last elections, when the present Prime Minister proceeded to form the new Cabinet I asked him, not to include me in the list of Ministers. I had well-founded reasons to fear that co-operation between my friend David Ben-Gurion, as Prime Minister, and myself as Minister for Foreign Affairs would not be successful this time, and I believed it would be best for me to free him and the new government from unnecessary complications.

The Prime Minister rejected my refusal to enter the government, and in view of the attitude he then adopted I had to give way. In the course of my term of office in the present government, co-operation between us was several times subjected to most uneasy tests, which we managed to overcome by an effort to maintain a partnership which has continued between us for over two decades, and in view of the emergency through which the country is passing.

Unable to Remain

But in recent weeks it has become clear to me that my resignation was unavoidable. This situation did not arise in connection with any pending political issue, or with any current event or incident. Nevertheless in a frank conversation which I had with the Prime Minister on the evening of Sunday, June 3, I reached the absolute conviction that it was impossible for me to remain in the Government of which he is the head.

In the middle of that week I proposed to him that he should immediately convene an extraordinary meeting of the cabinet so that I could proffer my resignation. The Prime Minister urged me to postpone my resignation for a few weeks, and he gave weighty reasons for his request. It was only a few days later that the Prime Minister realized that it would be better to avoid any further delay, whereupon we agreed on urgent arrangements for giving effect to the resignation.

This is in brief the true story. Any version or rumour or conjecture which has received publicity and which contradicts this story either in essentials or in any point

(Continued on Page 2, — Col. 2)

U.S. Press Predicts Stiffer Israel Policy

By JESSE ZEL LURIE, Jerusalem Post Correspondent

NEW YORK, Monday. — Does Mr. Moshe Sharett's resignation mean war? This was the question being asked this morning by State Department officials and pro-Arab organizations, and to which an unequivocal reply has been given by Israel officials in Washington. They say that no policy change is contemplated, that Mr. David Ben-Gurion stands four-square for peace. But if there will be no changes why was it necessary, observers ask, after a quarter of century of close association, for "Ben-Gurion to succeed in ousting Sharett," as "The New York Times" began its lead story today.

Both "The New York Times" and the "New York Herald-Tribune" gave the resignation story the most prominent position on their front pages, and both carried pictures of Mr. Sharett and Mrs. Golda Myerson. The "Herald-Tribune" in addition ran a picture of Mr. Ben-Gurion on Page 2. Both papers interpreted the shift as stiffening of Israel's foreign policy.

The "Herald-Tribune" headline said, "Sharett Resigns, Israel to Stiffen Arab Policy." The "Times" headline stated, "Israel Premier Drops Sharett, Woman Gets Job: Ben-Gurion Ousts Foreign Minister as too Cautious."

"The Times" report said Mr. Ben-Gurion was reported impatient with his Foreign Minister, who was wont to speculate on all possible consequences of a line of action before backing the Premier's plan. The report quoted well-informed sources as saying that the Premier, following the tipping of the arms balance in Egypt's favour, felt that an era was approaching that would require risky, audacious and intensive decisions. He wished to get Mr. Sharett out of the way, it was said, because in the jet age temporizing might be fatal.

Sharett Takes Leave Of Ministry Staff

Jerusalem Post Reporter

Foreign Minister Moshe Sharett took leave of his staff on the lawn of the Foreign Ministry compound in Jerusalem yesterday at the close of the day's work.

He spoke of his great attachment to his work, to which he had given a lifetime of service, and to the people with whom he had shared this work. They had always proved to be devoted and loyal. He expressed his certainty that the same high standards of integrity and discipline would be continued in the Foreign Service.

The Director-General, Mr. Walter Eytan, and Mr. Levi Alon, speaking for the staff committee, replied. Mr. Alon announced that the staff had inscribed Mr. and Mrs. Sharett in the Golden Book of the Jewish National Fund.

Tetley Tea

will be served on Wednesday in Jerusalem and Haifa.

The Israel Tea Company Ltd., distributors of Tetley Tea Bags in Israel takes pleasure in announcing that this world famous Tetley Tea made from tea bags will be served on Wednesday, June 20, at the following places:

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HAIFA: Atara Cafe, Rehov Herzl, between 4—6 p.m.
Ginati Cafe, Bat Galim, between 6—7.30 p.m.

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Sharp Debate In Cabinet

Mr. Moshe Sharett's decision to resign as Foreign Minister is understood to have resulted in a sharp debate at yesterday morning's special Cabinet meeting.

The meeting, which lasted from 10 a.m. to 1 p.m., was inconclusive and a second meeting was held at 7 p.m. All differences were then settled in short order, and the Prime Minister's statement was delivered in the Knesset at 8:15 — to a full House, upstairs and down.

The Minister of Justice, Mr. P. Rosen, is understood to have put forth the view that the post of Foreign Minister is of such key importance that the resignation of the incumbent should involve the resignation of the entire Cabinet and its re-constitution by the Prime Minister.

Ministers of Mapam and Hapoel Hamizrahi reportedly expressed objection to the manner in which Mr. Sharett's resignation had been decided on and made public and then presented to the Cabinet as a fait accompli.

Jordan to Negotiate U.K. Treaty Change

Jordan will open negotiations with Britain through the British Embassy in Amman for revision of the Anglo-Jordan treaty, according to the Old City daily "El Jihad" yesterday.

Negotiations will include the question of fixing the obligations of both partners to the treaty, and the British subsidy to Jordan.

Meanwhile, the Jordan Parliament will meet tomorrow to hear Premier Said el Mufti's statement of policy on the basis of which his new Cabinet will ask for a vote of confidence. Informed sources in Amman said his statement will include details on the treaty revision talks.

Eban on Way Here For Consultations

The Israel Ambassador to the U.S., Mr. Abba Eban, is returning to Israel for consultations. He will return to his post after a short visit.

Mr. Eban left New York by air yesterday and is due in Jerusalem tomorrow.

The Foreign Ministry spokesman yesterday called "unfounded" reports that changes in the upper ranks of the Foreign Service were impending following the change in Ministers.

"Everyone will remain at his post and will continue at his work as usual," the spokesman said.

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The Monastery of the Cross, with wild, pink oleanders surrounding it, is a huge cube of high, almost windowless walls and is situated in the charming Valley on the Western outskirt of Rehavia. The splendours of 12th century Byzantine and French beauty make it well worth a visit.

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Social & Personal

President Ben-Zvi yesterday received the Ethiopian Consul-General in Israel, Mr. M. Marcos Agagyellew.

•

The Minister of Finance, Mr. Levi Eshkol, received yesterday Mr. A. Feinberg, President of the Development Corporation for Israel in the U.S.

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A new eight-volume edition of the Collected Works of Abraham Lincoln was presented by the U.S. Ambassador, Mr. Edward B. Lawson, to the Jewish National and University Library yesterday. The Ambassador, who was accompanied by the U.S. Cultural Attache, Dr. Thomas McGrail, also called on the Vice-President of the University, Professor M. Evenari, and was shown around the University campus.

•

Lord and Lady Strabolgi visited Hadassah institutions yesterday. They were received by Dr. J. Karpas, and at the Brurdera Centre by Mrs. Myriam Granott, Chairman of the Hadassah Council in Israel. They also visited the Hebrew University and were received by the Vice-President, Professor M. Evenari.

•

Dr. Menachem Wurzel has been appointed instructor in Pharmacology at the Hebrew University-Hadassah Medical School.

•

The annual U.S. Independence Day banquet will be held by the Israel-America Friendship League at the Ramat Aviv Hotel on July 5. The Minister of Justice, Mr. P. Rosen; the American Ambassador, Mr. Edward B. Lawson, and the Director of U.S.O.M., Dr. Lincoln B. Hale, will attend.

•

Dr. Sidney Marks, Executive Director of the Z.O.A., will speak on the Zionist Front in the United States at the Z.O.A. House at 8.30 tonight.

•

The Israel and British Commonwealth Association will hold a dance on the roof garden of the Dan Hotel, Tel Aviv, at 9 p.m. tomorrow.

DOLIN TO AID BALLET STUDENTS

Anton Dolin, the artistic director of the London Festival Ballet, is determined that Israel youth have a chance to study ballet in London. To that end, in between his duties in connection with the present series of performances of the Festival Ballet here, he is lecturing to raise money for a scholarship fund he has founded for the purpose.

On Thursday evening at 7 p.m. he will lecture on the ballet at the YMCA auditorium in Jerusalem under the auspices of the Israel and British Commonwealth Association.

All proceeds from the IL1 admission fee will go to the scholarship fund.

LECTURE CANCELLED

The Jerusalem Municipality announces that the lecture by Dr. A. Auerbach which should have taken place tonight at Beit Hahalutzot has been cancelled.

LAW REPORT

The Jerusalem Post June 19, 1956

In the Supreme Court Sitting as Court of Civil Appeals

Before Justices Agranat, Goitein and Berinson.

Amin Muamad, Appellant, v. Dahdouh Dawiri, Respondent (C.A. 408/54)

"No Consideration" cannot be proved by Parol Evidence

The Supreme Court allowed an appeal against a judgement of the Haifa District Court, delivered on November 14, 1954 (C.C. 126/52).

Amin Muamad sued Dahdouh Dawiri for payment of a debt of IL1,417 based on three promissory notes made by the latter in favour of the former. The notes stated that the consideration was value received in cash. Dawiri denied that he had received any consideration, testifying to this effect himself, and being supported by his son. Muamad, on the other hand, insisted that he had given consideration in cash for the notes. Judge Shems of the Haifa District Court accepted Dawiri's version and dismissed the action.

Muamad appealed against this decision on the grounds that parol evidence is not admissible as against the written evidence of the promissory note.

Mr. S. Toussia-Cohen appeared for the appellant, Mr. N. Hawari for the respondent.

Judgment

Justice Agranat, in delivering the judgment of the Supreme Court, summed up the problem before the court (which he said was by no means a new one) as follows: is it permissible to impeach consideration and show its absence by extrinsic parol evidence, when a note states explicitly that value has been given. He first referred to two provisions of law: section 29(1)of the Bills of Exchange Ordinance, which states that: "Every party whose signature appears on a bill is *prima facie* deemed to have become a party thereto for value." This presumption of law (that the maker of the bill received value) may be rebutted when the parties to the dispute are immediate parties to the bill, as in the present case. Furthermore, section 80 of the Ottoman Code of Civil Procedure (in accordance with the translation officially adopted by the Israel Courts, following on C.A.62/52, Psakim 19/393) lays down:

> "All claims relating to contracts, agreements . . . and loans, which according to law or local custom are reduced to writing, must be proved by documentary evidence. Any action brought in respect to any of the matters mentioned above which have been reduced to writing . . must be proved either by documentary evidence or by the admission of the defendant by entries in a register."

Justice Agranat then analysed various judgments of the Supreme Court and District Courts delivered in the days of the Mandate, with particular reference to C.A. 87/37, on which Judge Shems had relied and in which it was held by a majority decision that "whether a note expresses that value has been given or not, extrinsic parol evidence is admissible." This judgment, which excluded promissory notes from the general rule that the only evidence which shall be accepted in contradiction of a written document is documentary evidence or, an admission extracted from the person in whose favour the document was made (the criteria laid down in the second part of section 80) said the Justice, had been criticized and even refuted both in the days of the Mandate and subsequently in the District Courts only, since the issue had not been brought before the Supreme Court until the present case. The ruling had therefore not become sufficiently entrenched in the judicature as to be regarded as binding and there was no reason why the Supreme Court could and should not review the problem anew, and if it found the foundation of the previous ruling to be weak, to overrule it, completely or partially.

After discussing the problem, with reference to Mr. Toussia-Cohen's arguments and to English precedents and the principles established in them, the Justice held that the Israel courts were not bound to accept the latter, despite the provision in the Bills of Exchange Ordinance which requires it (the Ordinance) to be interpreted by reference to the law of England relating to bills of exchange, since the principles laid down in England were not exclusive to the law relating to bills of exchange but emanated from the general rule with regard to external evidence. Nor were our courts bound by the English common law through the channel of Article 46 of the Order-in-Council, because there exists an appropriate local law in section 80. There was every justification, therefore, for reviewing C.A. 87/47, which judgment had been based on English common law.

Justice Agranat then examined the last part of section 80 in order to determine what the law is in Israel with regard to parol evidence which impeaches consideration of a bill and came to the following conclusion: where a note explicitly expresses that value has been given, the maker may not prove lack of consideration (as opposed to failure of consideration) by external, parol evidence, the only admissible evidence being that provided for in section 80. On the other hand, parol evidence is admissible when the note contains no explicit reference to the consideration given. There is, however, one proviso to the first rule: where the holder-plaintiff is not the person in whose favour the note was made but a person to whom it was negotiated without consideration, the maker-defendant may prove lack of consideration by extracting an admission from the person in whose favour the note was made and not only from the holder-plaintiff, the former's evidence not being regarded as "external."

In applying these rules to the case under consideration, Justice Agranat held that the District Court judgment had been erroneous. He concluded with the remark that he did not see any necessity, in the present case, to follow the line adopted by the Privy Council in P.C.C.37/43 (A.L.R. 1945/349) and apply section 1589 of the Mejelle (which provides that a person making any declaration may be required to swear on oath that his declaration is true), although he did not consider this section completely obsolete today.

Appeal allowed with IL125 costs for appellant.

Judgment given on June 14, 1956.

RABBINICAL COURT ORDERS DIVORCE

The Jerusalem District Court was yesterday asked to order a husband, who is in jail, to divorce his wife in accordance with a decision of the Rabbinical Court.

The application, the first in such a case, was submitted by Mr. Y. Kokia, Acting Attorney General. The husband, Yitzhak Ya'acov Shlomo, of Jerusalem, has been married for 13 years. The Rabbinical Court agreed to a divorce after long deliberation. *(Itim)*

VISITORS' GALLERY

Bond Leader Sees Investment at Work

By CHARLES WEISS

"Travelling through the Lachish Development Area I really became aware of how much the Bond Drive does in its own way towards insuring Israel's security. There you can see the pipes built by Yuval Gad, a Bond project, bringing the water that makes the area viable and thus fortifying the gap separating Jordan and the Gaza Strip."

The speaker had reason to know about Israel's security, for Abe Feinberg, now Chairman of the Bond Drive in the U.S., had made it one of his pet interests ever since he became founding President of Americans for Haganah in July 1947.

The Lachish project, where Bonds are building the roads, putting up houses and investing in industries which will complement the agricultural character of the region, is a model of efficient planning and execution, Mr. Feinberg said. Inside of the 18 months since the blueprint for the ambitious project left the drawing board, 27 settlements have been set up in five loosely defined rural groupings — all served by the Kiryat Gat urban centre.

Lachish means a great deal to Mr. Feinberg as it is one of the few developments which he was not in a position to see grow up under his own eyes. He has visited Israel 12 (or 13, he is not sure) times since 1946, but two years have lapsed since the last come-see. The firm which he heads took over Julius Kayser and Company, manufacturers of gloves, hosiery, underwear and other female sundries just over two years ago, he said, and he has been unable to tear himself away from the U.S. due to the pressure of work. To give an idea of the size of the enterprise, Mr. Feinberg estimated that it does as much business in a year as the total value of Israel's exports.

Haifa Rayon Project

This has not interfered with his "domestic" activities, as he calls the U.J.A. and the Bond Drive, to whose presidency he was elected a little more than a year ago. In the meantime, he has also found time to study the prospects of the $20 m. Rogosin Industries Inc. rayon plant which is to go up near Haifa and think highly enough of it to sign on as one of the partners.

The Bond Drive, which is in the midst of its June "Security Month" special campaign, is running 38 per cent ahead of last year during the first five months of 1956, with between $18 m. and $19 m. worth already sold. If the special campaign proves a success, Bonds should do better than $50 m. for 1956, Mr. Feinberg said.

For the first time, the public has begun to appreciate the difference between their U.J.A. gifts and the money that they invest when they buy Bonds, he added. It is the concrete evidence of development and the fact that the State of Israel has an excellent record for paying its debts on time that has caused this change of attitude. "When I hear someone at a meeting announcing that he will "give" so much for Bonds, I always make a point of stopping the selling and explaining the difference between the two — between investment and charity."

Contest for Original Musical Compositions

A IL250 prize in the name of Amiram Rom, who fell in the War of Liberation, will be given to an Israel composer for a vocal or instrumental composition on the theme "The War of Liberation" and/or "Heroism in Israel."

Contestants should send their works, which must have been composed after May, 1954, and not have received any prize to date, in two copies to Mr. A. Amiram, Director of the Musical Education Department, the Ministry of Education and Culture, Jaffa, before March, 1957.

Yesterday's Press

Sharett's Exit Ends Period In Israel's Foreign Policy

Many papers pay a glowing tribute to the outgoing Foreign Minister; some find that he was too consistently conservative and failed to adjust his point of view to changing circumstances; and still others conclude that he had to go because he and the Prime Minister could no longer cooperate.

Thus, **Lamerhav** (Ahdut Ha'avoda) writes that Mr. Sharett's departure marks the end of a period in Israel's foreign policy, but it is doubtful if the Party will be able to break away from its rooted concepts even if it does replace the outgoing Minister by another Party leader. But, it must be remembered, the setbacks in foreign policy were not Mr. Sharett's, but the Party's, and the answer is not a reshuffle of personnel but a basic change in method and principle. The need for a change of values is not adequately reflected in the personality of the New Foreign Minister.

Al Hamishmar (Mapam) is sorry that the Government has not seen fit to consult the other members of the Coalition on the matter of the Foreign Minister's post, and says that Mr. Sharett's resignation gives rise to widespread amazement. Instead of demonstrating internal rifts, Mapai should strive to show a consolidation of Government forces and should therefore have made every effort to prevent Mr. Sharett's resignation.

No Question of Policy

Haboker (General Zionist) does not think much of Mr. Sharett's ability and says that he was given to turning a fine phrase to compensate for lack of substance. The change that is taking place has nothing to do with questions of policy, and if it has been made necessary by internal Mapai considerations it is only fair that the public's outstanding representatives should be consulted on the formulation of a new foreign policy.

Davar (Histadrut) ridicules the theory produced by scandal mongers who insist that Mr. Sharett resigned because there have been personal differences between him and Mr. Ben-Gurion. No one denies the fact that there have been differences, but these have taken place on a plane far removed from narrow personal interests. The real reason for Mr. Sharett's resignation may be the fact that Israel's security and political position has come to such a pass that the Foreign Minister has been forced to the conclusion that cooperation between him and the Prime Minister was no longer feasible.

Ha'aretz (non-party) writes that Mr. Sharett's resignation chalks up a victory for Mr. Ben-Gurion, who has emerged as the stronger of the two. The Mapai reason for the resignation — that Mr. Sharett is needed for the party's regeneration—is weak and not too convincing; the true reason for the changeover will no doubt be disclosed some time in the future. It is too bad that Mr. Sharett is leaving, for it has been a known fact that the temperaments of both personalities — of the Foreign Minister and of the Prime Minister—were mutually restraining, a condition that augured well for Israel foreign policy.

Sharett's going is not expected to mark a basic change in policy and the new Foreign Minister incumbent may serve to carry out the routine duties while Mr. Ben-Gurion himself will take over in practice.

Kol Ha'am (Communist) sees in the resignation a sign of serious crisis in Israel's foreign policy, which Mr. Ben-Gurion is trying to camouflage by personnel changes. Glancing at Mr. Sharett's record, the paper thinks that the outgoing Foreign Minister has led the country to a blind alley, a position of splendid isolation; his policy of dependence on U.S. is bankrupt and it is therefore time he went. With the easing of comparative tension and with the U.S.S.R. having obtained a position of influence in the Middle East, a changed Israel foreign policy will no doubt make for improved relations with Israel's neigbours and the socialist world.

Hatzofe (World Mizrahi) is also of the opinion that the resignation is based on personal differences and claims that changes in the Foreign Ministry are not an exclusively Mapai affair but one that concerns the entire coalition.

Herut and **Hatzofe** consider the position of the Jews of Morocco, Tunis and Algeria in the light of the emigration ban; **Omer** (Histadrut) sees the outbreak of violence from the direction of the Lebanon as an indication of the growing anti-Israel temper in the Middle East; and **Hamodia** (World Aguda) discusses today's "independence" celebrations in Egypt.

EMERGENCY PHARMACIES

JERUSALEM: Levani, 5 Julian's Way, 4856.

TEL AVIV: Dr. Kolberg, 23 Allenby, 23335. Greenberg, 46 King George, 26208. Valkovishki, 36 Herzl, 5157. Ben Yehuda, 142 Ben Yehuda, 23535. **JAFFA**: Yafo, 30 Rehov 4, 82700. **HOLON**: Ribek, Kikar Struma.

PETAH TIKVA: Asuta, 7 Stampfer. **REHOVOT**: Bark, 155 Herzl, 366. **RAMAT GAN**: Lifshits, 19 Herzl, 71771. **RAMAT YITZHAK**: Hasharon, 23 Jerusalem, 73046.

HAIFA: Magen David, 13 Geulah, 6306. Allyah, 44 Bat Galim.

EMERGENCY PHYSICIANS

JERUSALEM: Dr. Greenwald, 22 Yehoshua Bin Nun, 62963. Dr. Romanoff, 11 Ariosoroff, 61217. Dr. Shikrashi, 8 Beit El, Nahlat Zion.

TEL AVIV: Dr. Weinberg, 4 Rehov 65. Dr. Shoham, 1 Syrkin, 26342. Dr. Grifel, 5 Ben Yehuda, 23496.

HAIFA: Dr. Sherman, 2 Hanowim, 3424. Dr. Ludwig, 36 Shivat Zion, 67417.

ON THE AIR

FIRST PROGRAMME

522, 349, 33.3 & 43.9 M.

News, Hebrew: 6.35, 7 a.m., 1.30, 7.00, 9.00, 11.00 p.m. **Arabic Programme** (including News), 8.00 a.m., 2.15 & 6.00 p.m.

6.00 a.m. Service. 6.37 Exercise. 6.47 Musical Clock (R). 7.15 Melodies (R). 9.00 Close Down.

12.00 N. "Music at Noon." Maurice Chevalier. 12.30 Music for two pianos. 12.50 Requests (R). 1.45 From Dan to Eilat. 2.30 Close Down. 4.00 Youth Corner. 4.30 Programme for Hospitals. 5.10 Farmer's Corner. 5.30 Language Corner. 5.35 Young Israel Artists: Bach, Partita No. 6 in E, for Unaccompanied Violin, played by Ruth Zerodinsky-Yeddya. F. Ben-Haim: Nocturne op. 20, played by Hagit Meiri — Piano. 7.15 "We Present Tonight." 7.18 "Ron-Ami." 7.35 "For your Health." 7.45 Haifa Programme. 8.10 Noah's Ark. 8.45 "Government Offices at Work"—talk by Arieh Atir. 8.55 Bible Reading. 9.15 Concert by the "Kol Yisrael" Orchestra — Conductor: Heinz Freudenthal: Soloist Melvin Keller. J. Ch. Bach: Symphony in D for Strings. Mozart: Clarinet Concerto in A, K. 622. P. Ben-Haim: "Pastorale Variée" for Clarinet & Orchestra. Sibelius: Overture "Karelia." 10.45 Intermezzo with Jimmy Leech and his Ensemble. 11.10 Close Down.

SECOND PROGRAMME

467, 468, 275, 216, 43.9 & 33.3 M. **English News**, 1.45, 10.00 p.m. **French News**: 2.00 p.m.

IMMIGRANT'S HOUR. 5.30 p.m. Programme for Yemenites. 5.45 Hebrew Lesson in Yiddish. 6.00 Light Music. 7.00 Ladino. 7.20 French. 8.00 Yiddish. 8.30 News in Easy Hebrew. 8.45 Turkish. 9.00 Interval. 9.30 Rumanian. 9.45 Hungarian.

KOL ZION LAGOLA: (33.3 M.): (South Africa Programme). 8.00 News. 8.10 From the Federation. 8.15 Music from Biblical Oratorios. 12.15 p.m. News. 12.25 "On the Spot." 12.30 Music for the Theatre. 12.45 Easy Hebrew Conversation.

ARMY PROGRAMME (44.6, 216, 235 & 238 M.): 6.30 Opening. 6.32 Songs. 7.00 News. 7.15 Intermezzo. 7.30 Musical Key. 8.00 The Week's Talk about Z.H.L. 8.10 Noah's Ark. 8.45 Songs from films. 9.00 News. 9.15 "In the Mist"—Sketch by M. Ohad. 9.40 Evening Tunes. 10.00 Close Down.

B. B. C. HEBREW BROADCASTS: (16.79, 19.42, 16.86, 25.15 M.): 7.30-8.00 p.m. News. News Talk. Arts Chronicle. Dance Music.

Restitution Change To Benefit Jews

BONN, Monday (INA).—The long-awaited amendment to the Federal Indemnification Law regarding individual victims of Nazi persecution was given unanimous approval by the Federal Council in the Upper House last Friday.

The principal beneficiaries by these amendments which are believed to be final, are Jewish immigrants from East Germany, who will be treated similarly to Jews from Western Germany in the future. The discriminatory 25 per cent differential that applied to D.P.'s has been abolished. Through the many technical improvements on the 1953 Indemnification Law, Jewish victims of Nazism are expected to benefit by $400m. to $500m. over the next seven years.

All claims formerly recognized by a proper indemnification agency now become payable immediately, except for property and certain other claims in excess of $2,400 where the applicant is under 60. These will be payable from April 1957.

The amendment is expected to come into force in July, after its publication in the Federal Gazette. It will be effective from April 1, 1956.

This amendment is considered more satisfactory for Jews or non-Jews originating from Germany than for any other group. Jewish victims of Nazism, who never resided in Germany, are almost disregarded in the amendment. The British Ambassador to Western Germany last week conveyed to the Federal Government the British Government's view that the provisions made for national victims, such as Poles, are inadequate.

San Cristovo Beat J'lem Hapoel, 2-0

By KEITH BEECHER

San Cristovo, the touring team from Brazil, notched the second win in their five games here by defeating a re-inforced Jerusalem Hapoel, 2-0, at the Y.M.C.A. stadium yesterday. The Brazilians scored once in each half.

A crowd of 6,000 watched the teams being greeted by the Mayor of Jerusalem, Mr. Gershon Agron, and other members of the Municipality. Mr. Agron kicked off.

Play was sporadic from the start with the visitors obviously of a far better class, and far more tired, than their opponents.

The first goal came after a fine run through by the Brazilian inside-right, Zemaria, with a fairly weak drive from some way out which Amar, in the Hapoel goal, could have saved. Hapoel launched a number of attacks but the San Cristovo defence, particularly right back Georgi, was well on top.

San Cristovo clinched the game, if there was any doubt about the outcome, ten minutes before the end when Waldir, their inside left, netted their second goal with a fine ground drive from 30 metres. The visitors therefore finished their tour here with a record of two wins one loss and two draws, in five games played in the space of 12 days.

Jerusalem Hapoel are to be commended in providing this treat for local fans, who usually have to travel out of town for an international match of this standard. While they obviously were up against a tough proposition in the Brazilians, the side could clinch a higher League status provided they produced the fight and stamina they did yesterday.

White Sox Slam Senators, 20-2

NEW YORK, Monday (Reuter).—Results of Major League baseball games played in the U.S. yesterday were: NATIONAL LEAGUE: Card. 3, Pirates 1, and 5-3 (second game); Phillies 7, Cubs 1, and 4-7; Giants 7, Reds 1, and 9-1; Braves 5, Dodgers 4, and 3-1. AMERICAN LEAGUE: White Sox 20, Senators 2, and 4-10; Red Sox 13, Tigers 1; Orioles 7, A's 2, Yankees 9, Indians 4. SATURDAY'S RESULTS: AMERICAN LEAGUE. Red Sox 6, Tigers 5, (12 innings); White Sox 7, Senators 0; Yankees 3, Indians 1, NATIONAL LEAGUE: Dodgers 3, Braves 2; Reds 3, Giants 1 (11 innings).

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IMPORTANT NOTICE to Independent workers

Persons who received Yahav Magen forms should return them immediately.

Persons who have not received Notice Forms may use Form No.3 which can be obtained free of charge at all Post Offices.

The deadline is approaching.

Remember! Your contributions will not be credited if they are not declared.

IMPORTANT NOTICE to Employers

From today, a pamphlet with instructions on the deduction of Yahav Magen from salaries and wages are obtainable at the Income Tax Assessment Offices.

The Yahav Magen Administration again reminds all employers that the first deduction must be made from June's salary.

In the District Court of Tel Aviv—Jaffa.

Guardianship file No. 324/56.

In the matter of the lunatic Genia Hall (also known as Genia Jakuborsky).

Petitioner: Ruth Jakubovsky of Tel Aviv, represented by Z. Gordon, advocate, of 40 Rehov Yehuda Halevy, Tel Aviv.

CITATION

In virtue of an order of the District Court of Tel Aviv bearing date this day, I do hereby cite all and all manner of persons to appear in the said Court on July 3, 1956, and show cause, if any they have, why an order appointing the petitioner a guardian of the person and property of the said lunatic should not be granted, as in default thereof, the Court will proceed to grant the same accordingly. Given this June 12, 1956.

— L. OGEN REGISTRAR

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London Ballet—For Workers and Youth

GALA FAREWELL PERFORMANCE AT STADIUM

A dramatic step has been taken by London's Festival Ballet to enable wider sections of the public to enjoy its ballets.

Thirty thousand people will have seen the Company's performances in Tel Aviv, Haifa, Jerusalem and the amphitheatres of Zemah and Beit Shean. This is an all time record for this country. Requests for further appearances of the Company have poured in from towns and Kibbutzim. They could not be accepted, as the Company is scheduled to appear at the International Art Festival in Amsterdam.

However, before it leaves Israel, the Company decided to give one big performance on the last night of their stay at popular prices, enabling those who could not afford the higher priced tickets to still see a performance. Prices for the regular run had to be high in order to cover the enormous expense involved in bringing to Israel 60 dancers, the necessary technical staff as well as the scenery and thousands of costumes.

HUGE STAGE, HOLLYWOOD AND TCHAIKOVSKY

This Special Performance will be given on Monday, June 25, at the Ramat Gan Municipal Stadium. Experts are now supervising the construction of a special stage, the largest ever seen in Israel, in order to make sure that the performance will be seen and enjoyed by the tremendous audience expected. London's Festival Ballet Company has appeared in Ballet "Under The Stars" in Hollywood, Toronto, Monte-Carlo and Zurich, and its directors say that ballet with the heavens as a backdrop, is startlingly beautiful.

By public request, the programme will include Tchaikovsky's Swan Lake, a classical ballet in the Russian tradition of old St. Petersburg; "Napoli" which is based on popular Italian themes including the Tarantella, and the duet from the Ballet of Esmeralda based on Victor Hugo's "The Hunchback of Notre Dame," which will be seen for the first time. Marylin Burr and John Gilpin, who have left Israel audiences breathless in their performances of Harlequinade and Black Swan will star in this duet. Mr. Braunsweg, Director General of the Company, promised that he feels sure the audience will be completely overwhelmed by the astounding features of this ballet. The programme will conclude with the Polovtsian Dances from Borodin's Prince Igor.

POPULAR PRICES

The morning after this performance, the Company will leave the country. Therefore, this is your last chance to see them. Tickets between IL2.500 and IL6.500 are obtainable from today, in Tel Aviv — from Radio-Union, 116 Dizengoff Rd.; "Kanaf," 83 Allenby Rd.; "Bamah," 50 Ben Yehudah Rd.; at Beit Brenner; for workers and soldiers — at the Town Officer. Tickets will also be on sale in Ramat Gan (Rechnitz) and Natanya (Signal) and on the evening of the performance, at the Stadium Box Offices.

Group orders from Institutions, Groups, kibbutzim etc. will be accepted at 6 Rehov Glikson, Apartment 8, Tel. 28563.

Where to go.

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—— JERUSALEM ——

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• Exhibitions:—
1) Paintings and drawings by the Brazilian painter Candido Portinari. 2) Sculptures by Jacob Epstein, Enrico Glivenstein, etc. Exhibit of the French Jar modelled and glazed ... (middevel) Yesukand Persia, ... century. Gift of Lady ... Canada-Owen, New York. ... tel, 9-1, 3-6.

Permanent exhibition at the Department of Antiquities. Temporary: New finds from the excavations at Beit Shearim and Ma'ayan Baruch and recent excavations including Rehov Altam and Ginosar, 9-1.

Conquest of the Desert. Permanent Exhibition. Daily from 10-1, 4-6. On Friday from 10-1 only. The exhibition is closed on Shabbat.

Paintings and pen sketches by Avraham Lavin. 10-1, 3-6. Nora Art Gallery, 9 Maimon.

• Theatre:—
De-Re-Mi, "Money, Money, Money." Edison, 8.

• Film Shows.—
Israel Films — Keren Hayesod. 11.30 a.m.

• Tours:—
Hebrew University conducted tour. New Administration Building. Opposite Terra Sancta. 10 a.m.

• Symposium.—
"The United Nations and World Peace" with the participation of Knesset members and University lecturers, arranged by the Israel Society for the U.N. Beit Hillel, 6 p.m.

—— TEL AVIV ——

Italian specialities, lunch, dinner, music. Lucky's Bar, 3 Allenby Rd. Air conditioned.

• Entertainment:—
Tel Yam Restaurant — Oriental, French and Italian cuisine: 34 Allenby Road

"Boustan"—the beautiful Garden Cafe, near Dizengoff Square.

• Exhibition:—
1) "New Horizons" Group. 2) Paintings and Drawings by Zila Neuman. 3) Jewish Wood-Craft, arranged by Gimza, 10-1, 4-7. Museum.

• Theatre:—
Ohel. "The Good Soldier Schweik." 8.30.
Cameri. "The Merry Matchmaker." Mograbi. 8.30. "The War of the Sons of Light and Darkness." New Cameri Hall. 8.30. Habimah. "A View from the Bridge." 8.30.

• Lecture:—
Z.O.A. House at 8.30 p.m. — Dr. Sidney Marks, Executive Director of the Zionist Organization of America, on "America and the Middle East."

—— HAIFA ——

• Exhibitions:—
General exhibition "Israel Landscapes." Fortnightly exhibit. Oil painting by the late Menahem Shemi. Museum, Town Hall, 10-1, 5-8.

—— HADERA ——

• Theatre:—
Habimah. "Medea." 8.30.

—— KIRYAT HAIM ——

• Theatre:—
Cameri. "The Mantle." 8.30.

—— RAMAT GAN ——

• Symphony Concert:—
No. 5 Programme includes works by Liszt and Bizet. King David Garden. 5.30 p.m.

Cinemas

JERUSALEM

At 2.15, 7.15 and 9.15 p.m.
EDISON: Park Up Your Troubles.
ARNON: One Desire.
EDEN: Interrupted Melody.
ORION: Oasis.
ORNA: The Last Command
OR GIL: Not As a Stranger. 2nd week.
RON: "Papa, Maman, La Bonne et Moi." 2nd week.
STUDIO: Romeo and Juliet.
ZION HALL: You Are Never Too Young.
TEL OR: Judge. 3rd week.

TEL AVIV

At 2.30, 7.30 and 9.30 p.m.
ALLENBY: The Tall Men.
ARMON DAVID: The Kidnappers
CHEN: Nana. 3rd week.
EDEN: Aware.
ESTHER: The Swan.
HOGRABI: The Second Greatest Sex. Matinee at 4.
ORION: Rhapsody in Blue.
OPHIR: Los Grandes Ma ncuvres."
SHDEROTH: Carmen Jones 8th week.
TAMAR: Nambu. 2nd week.
TCHELETH: Picnic. 12th week.
YARON: Christopher Columbus. Matinees at 4.
ZAMIR: Make Haste To Live. Matinees: Kansas Pacific.

HAIFA

HAY: East of Eden. 2nd week.
ATERON: French Cancan.
ARMON: Svengali.

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By Gerda Luft

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Today's Postbag

THE WEATHER

	A	B	C	D
Mt Cana'an	25	19	32	32
Tiberias	34	22	36	39
Haifa Port	25	23	29	30
Natanya	24	21	28	30
Tel Aviv Kirya	26	21	32	30
Tel Aviv Port	27	23	28	29
Lydda Airport	30	20	33	33
Jerusalem	32	19	29	31
Beersheba	35	20	35	36
Sdom	37	—	40	42
Eilat	10	25	41	42

*A) Humidity at 9 p.m. B) Minimum temp. C) Maximum yesterday D) Maximum temp. expected today.

• • •

ARRIVAL

M. Jean Gottman, Professor of Geography at the University of Paris (by Air France).

DEPARTURES

Mr. A. Richtiger, Chairman of the British Zionist Federation, and Mrs. Richtiger for Europe after a ten-day visit, (by El Al).

IL2,000 were stolen from the cash of the Hassneh Insurance Co., in Rehov Lilienblum, Tel Aviv, on Sunday night. The thieves found the keys to the strongbox in a desk drawer.

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THE HEBREW UNIVERSITY has received a gift of $25,000 for its Building Fund from Mr. Charles Charcowsky, of Miami Beach, Florida, U.S.A.

• • •

THE JORDAN study project headed by Dr. Schattner, which was the subject of an article on page five of last Friday's supplement of *The Jerusalem Post*, is being carried out under the auspices of the Hebrew University.

• • •

SOME 400 TONS of frozen meat from Argentina arrived in the s.s. Rio Quinto in Haifa.

• • •

FOUR CASES of relapsing fever were reported to Assaf Harofe Hospital yesterday. They are workers who, together with 28 others, sought shade in a cave near Tzelafon, in the Ramle area while engaged in afforestation work.

• • •

AN ISRAEL POLICEMAN, who accidentally shot himself in the hand with his rifle on Mt. Scopus yesterday morning, was brought down to Mandelbaum Gate yesterday by U.N. Observers. He was hospitalized at Hadassah. His condition is not serious.

• • •

TAXI FARES were raised by 15 per cent in Haifa yesterday. "Sherut" fares were not affected by the rise.

• • •

1,4 FAMILIES, mostly new immigrants, settled in the Lachish region since last June.

Ashkelon Mayor Orders Audit of Town's Books

ASHKELON, Monday. — "I don't mind the world knowing that Ashkelon is bankrupt," declared Mr. A. Tager, the Mayor, when asked whether it was true that a creditor had obtained an impounding order against the town.

The town owes IL400,000 and the Mayor has ordered an independent audit of the books.

Mr. Tager is confident that the city can pull out of its troubles, if given a chance. He proposes to intensify the collection of rates so that he can meet current expenditure out of current income.

Debts will be paid in categories out of surpluses or special loans which he is seeking — arrear wages will be category one, back compensation for dismissed workers category two, and so on.

Order Nisi Issued On Army Legal Corps

The decision of the Law Council not to recognize service in the Army Legal Corps as cancelling all or part of the two-year period which each prospective lawyer must spend practising under the supervision of a recognized lawyer was discussed by the Supreme Court sitting as the High Court of Justice yesterday in Jerusalem.

The Court issued an order nisi against the Council calling upon it to show cause why its decision should not be rescinded.

The applicant, Mr. Richard Weiss, through his attorney, Mr. S. Toussia-Cohen, claimed that the Council had refused to accept even the recommendation of its own subcommittee that he be credited with 14 months towards this two-year period.

The Court was composed of Justice Cheshin, Deputy President, and Justices Gelzin and Sussman. *(Itim)*

Suspect Held For Rape of Child

TEL AVIV, Monday. — The police are holding one suspect in connection with the rape of a four-year-old girl in Jaffa last week. The suspect lives in the Old Town of Jaffa. Many persons were held by the police, but all were released after investigation. *(Itim)*

Education Faculty at H.U. Among Innovations Annouced by Aranne

Jerusalem Post Reporter

A Faculty of Education is to be established at the Hebrew University in the 1957-58 semester, according to a decision reached by the University after negotiations with the Ministry of Education and Culture.

The Faculty will incorporate the present School of Education, where courses are given in elementary school teaching and which is now run jointly by the University and the Ministry, and the Education Department, a section in the University's Humanities Faculty devoted to secondary school teaching.

This was announced at a meeting in Jerusalem yesterday of the Education Committee by the Minister of Education and Culture, Mr. Zalman Aranne, who outlined a sweeping programme of innovations on all educational levels.

The Education Committee is an advisory body to the Minister, composed of representatives of all political parties and of educational institutions.

Five-Year Plan

A five-year plan to extend pre-vocational training in the elementary schools will be initiated at the end of next year, with the eventual aim of directing two-thirds of the pupils in their last two years towards this course.

An education expert from Holland has been invited as consultant to the programme, Mr. Aranne said. The extension of pre-vocational training to the first two years of secondary school is also envisaged.

Vacations are to be curtailed in teachers' seminars to enable studies of 19½ months during the two-year course in place of the present 16 months. This will allow for additional training in Jewish studies and subsequently a more thorough acquaintance by schoolchildren of Jewish tradition. Subjects such as gymnastics, music and crafts will also receive greater stress in the drive to train "all-round teachers" for immigrant settlements.

Noting that some 350 additional teachers would be needed in the coming school year, Mr. Aranne said that the Ministry of Defence was being asked to release seminar graduates of this year who are now earmarked for Army service.

Recognition Hinted

Mr. Aranne hinted at the eventual recognition of institutions of higher learning aside from the Hebrew University and the Haifa Technion. He said that one of the motivations for the recent establishment of a committee to investigate the situation of higher learning in Israel was to "extend clemency to the possibilities of higher education outside the University and the Technion."

The Minister revealed that the Ministry of Finance was going to propose that the Government allocate a sum of IL1m. to the University, IL500,000 to the Technion and IL250,000 for grants to secondary schools.

This was decided in negotiations between the Ministries of Education and Finance following urgent appeals from the University and the Technion for a total of IL4m.

Increased allocations are also to be made in next year's budget for improving and building schools in immigrant settlements, Mr. Aranne said.

6,500 to Attend Day Camps in Tel Aviv

Jerusalem Post Bureau

TEL AVIV, Monday. — Summer day camps for children here, organized by the Municipality and the Parents Committee, are to be opened on July 18.

Camps will be operated at Tel Baruch and Givat Aliya, by the sea, as well as in 32 of the city's schools. They will last three weeks, and 6,500 children will attend.

Announcing this, Mr. Benzion Kaduri, acting head of the Municipal Education Department, said that charges for the outdoor camps would be from IL4 to IL34.500 according to the financial position of parents, and those for camps in schools would be from IL3 to IL28. For a number of children from poorer quarters, only token charge will be made.

Improvements in this year's holiday scheme in the fields of education, food, organization and medical care were promised by Mrs. Ben Porath, head of the Municipal Youth Department. Last year's experiment of including children cared for by the Social Welfare Department had succeeded, and this year 800 will participate.

Strolls, swimming, and entertainments will be among the activities.

Hadera School Teachers Strike

HADERA, Monday. — Elementary school teachers went on strike here today because the Ministry of Education failed to repay nine teachers' fares from home to school. The teachers live out of town.

The Teachers Association has approved the strike.

Dentist Held Before Leaving Country

LYDDA AIRPORT, Monday. — Dr. Ya'acov Erdman, a dental surgeon of Jerusalem, was arrested here today on a charge of attempting to smuggle out of the country 1,240 grammes of gold. His wife and two children, who were accompanying him on the T.W.A. flight to London, were released by the police.

The gold and a quantity of silver ware were found in a suitcase which had been checked by the Jerusalem Customs authorities. It is believed that the precious metal was introduced after the suitcase was sealed by the Customs.

Dr. Erdman explained that he was going abroad for a two-year study course. Police suspect that he intended to emigrate, stating he had sold his flat. *(Itim)*

OVED EISENBERG BURIED IN REHOVOT

REHOVOT, Monday. — Oved Eisenberg, who died here yesterday, was laid to rest here today in the presence of thousands of townsfolk. He was eulogized by Mayor Yitzhak Katz; the Rehovot Rabbi Rabbi Meltzer; Knesset Members Haim Arlav and Ezra Ichilev, and by Mrs. Yehudit Harari, his sister.

The Foreign Trade Bank Ltd., Tel Aviv
wish to convey their sincere condolences
to Mr. Selim N. Soffair
on the passing away of his
Father

Talmud Scholar's Writings To Be Sent Here

Jerusalem Post Reporter

A move is now under way to transfer the work of collating and publishing the writings of Rabbi Yosef Rosen of Dvinsk — "The Gaon of Rogashov" — from New York to Israel.

Rabbi Menachem Kasher, head of an eight-man Institute set up by New York's Yeshiva University, to arrange the commentaries left by the "most distinguished Talmudic scholar of our times" is now in Israel to organize funds and research facilities for the project.

Rabbi Kasher told a press conference in Jerusalem yesterday that years of labour by top Jewish scholars would be needed before publication of the writings, which now cover 9,000 pages of difficult script.

The Institute was set up in New York recently when the writings were accidentally discovered. Microfilms of the papers had been sent by the daughter of the *gaon*, Mrs. Rahel Citron, and by his successor, Rabbi Israel Alter Saffran-Fuchs, to relatives in the United States when the Nazi invasion of Latvia became imminent. The last were sent only two weeks before the entire Jewish community of Dvinsk was obliterated.

Dr. Z. Warhaftig, Deputy Minister for Religious Affairs, called on the Government to take an interest in "the treasure of commentaries left by the *gaon* on Jewish oral law."

SHARETT

(Continued from Page One)

of detail is pure fabrication.

I will not cheapen this forum or trouble the members of the Knesset with a detailed reply to the distortions and slanders which have appeared in the press.

I shall make but one exception. In one of the newspapers a most reprehensible attempt has been made to involve in this matter the senior officials of the Foreign Ministry, termed by that paper as the "advisors to Foreign Minister." Again I do not propose to enter into the details of this worthless and mendacious gossip, I shall say only this:

I would wish for every Foreign Minister in Israel, and indeed for every other Minister, a staff of assistants such as I have had the privilege and the satisfaction of working with in the Foreign Ministry, both at home and abroad, whether from the point of view of training, political understanding, moral quality, capacity for work, devotion to duty as disciplined servants of the State and loyalty to Israel and to the Jewish people.

I have perhaps more than one reason to regret my having had to leave my post, but nothing causes me greater distress than the need to part from this fine team, to whom I have become so profoundly attached. With the permission of the Speaker and the House, I wish to express to them from this rostrum my deep gratitude for their devotion, assistance and friendship.

Members of the Knesset! I have many times mounted this tribune by virtue of the office which I held and which has terminated today. Permit me now to present myself in all humility as one of you, an elected representative of the people who will consider it a privilege to take part in the normal work of this House, unburdened by any governmental responsibility.

KNESSET

(Continued from Page One)

Mr. Ben-Gurion was letting go a Foreign Minister with all the outstanding qualities he had enumerated.

The resignation had resulted from the failure of our foreign policy, Mr. Begin declared. But the entire Cabinet was responsible for that policy and it was unethical to force Mr. Sharett to resign and have the rest of the Cabinet stay on.

The Government's policy had failed in its relations with the U.N., in its faith that the U.S. would sell us arms, and in its policy of selective immigration from North Africa. The entire Government should resign and give the people a chance "to examine anew the conditions of its existence," Mr. Begin said.

Mr. Bernstein said that we had yet to hear the reason for the resignation. Differences between Mr. Ben-Gurion and Mr. Sharett were no secret. But why had Mr. Sharett not quit after the Kinneret raid, for instance? Why had it been decided precisely now that our foreign policy was a failure?

He agreed with Mr. Begin that if our foreign policy had failed then it was a failure of the Government as a whole. "I will not be revealing any secret if I say that one frequently got the impression that our foreign policy was being conducted more by the Prime Minister than by the Foreign Minister."

Commenting on the appointment of Mrs. Myerson as Foreign Minister, Mr. Bernstein asked whether it would not have been in place to appoint "an experienced diplomat, one possessing the broad knowledge and the qualities for which Mr. Sharett has been praised."

Six Textile Mills Threaten Lockout

Jerusalem Post Bureau

TEL AVIV, Monday. — As the strike of cotton spinners at the Sharon Mill in Petah Tikva entered its second day today, owners today threatened to close down six plants on Wednesday unless the walkout is called off by tomorrow morning. The decision was taken at a meeting this morning of mill owners affiliated to the Manufacturers Association.

The strike was called after the Association refused to consent to the Histadrut's demand for wage-increases of 6.5 per cent.

A spokesman of the Petah Tikva Labour Council said tonight that the strike at the Sharon Mill would continue tomorrow, and still longer if necessary. He said that no talks were held by both sides today.

45,00 Spindles Affected

The six cotton-spinning mills threatened with a lockout are located in the Tel Aviv district, Petah Tikva, and Nahariya. They account for 45,000 spindles of the country's total of 70,000. Not involved in the dispute are two mills, Ata and Slilim, of Hamashbir Hamerkazi.

The Manufacturers Association tonight issued a statement declaring that profits in the spinning industry had dropped to a minimum, and it could not afford the demanded increase. Thread prices have not risen since 1954, even though costs have increased.

Since 1954, the price of raw cotton had risen from IL1.566 per kilogramme to 1.800 for imported material from Turkey under the clearing agreement, and to IL1.746 under the U.S. grant. The local product was priced at IL1.960.

Overseas costs have gone up as has interest on credit.

Mining Engineers Set Strike for Today

TEL AVIV, Monday. — A countrywide warning strike by 80 engineers of Israel Mining Industries will be held tomorrow from ten a.m. till 12 p.m.

The engineers committees of the enterprise gave as reason the management's refusal to implement the new wage scale.

IL100,000 in Credits For Artisans

The serious financial situation facing merchants and artisans was yesterday brought to the attention of Mr P. Sapir, Minister of Commerce and Industry, by Mr. Ephraim Guzman, Secretary of the Artisans Association, the Ministry spokesman announced.

Mr. Sapir said the Ministry was aware of the problem and added that in order to help them, the Ministry had recommended an increase in credits by IL100,000.

Owners Find C-o-L Pay Detrimental

TEL AVIV, Monday. — A delegation of the Manufacturers Association will meet the Ministers of Finance and Commerce in Jerusalem tomorrow to discuss cost-of-living allowances.

The meeting was arranged at the telegraphed request of Mr. A. Shenkar, President of the Association. The manufacturers insist that quarterly changes in cost-of-living allowances are detrimental to the country's economy.

Forestry Villages For Galilee

Jerusalem Post Reporter

TIBERIAS, Monday. — Two forestry villages are to be established on Mt. Meron in the Upper Galilee, according to information from the Marom Hagalil District Council.

The plan has been worked out by the country's forestry experts and is supported by the settlement authorities. The villages are to be populated by new immigrants who lived in forest regions in their home countries and know how to earn their living from woodcraft.

Their work will include tree-planting, wood-cutting and wood handicrafts. Mt. Meron was chosen as the most suitable site because of its similarity to West European mountains where such villages have existed for centuries. The plans are based on Canadian and Central European models.

A heavily-wooded area of 20,000 dunams has been reserved for the villages. Full employment is assured for the settlers in developing the forests. They will plant in the winter and lay approach roads during the summer.

This is one way in which the authorities hope to solve the problem of settling hill regions.

30,000 Dunams to Be Sown at Hula

TIBERIAS, Monday.—A new system of land cultivation will be introduced here soon, when the Hula Authority will start to prepare 30,000 dunams of reclaimed lands for sowing this autumn.

The Hula Authority, a Government Company, was founded six months ago, with a capital of IL2 million. It is operated by the Ministry of Agriculture, the J.N.F. and the Jewish Agency.

Foreign experts advised that the best way of cultivating the large areas was to adopt the "big farm system," instead of splitting the land into small separate holdings.

The company sent engineers abroad to study the system and also ordered IL500,000 worth of farm machinery. The equipment arrived several weeks ago.

The preparations at this stage consist of digging tens of kilometres of irrigation ditches, and raising dams, cleaning and levelling of the area and experimental sowing of a "pilot farm" on several hundred dunams.

The first "big farms" will grow industrial crops like cotton, earth nuts, sugar beets, wheat and barley on 20,000-30,000 dunams.

Israel Youth For Hostel Festival

Seven Israel students, from the University, the Technion, and the Music Academy will leave July 20 for Edinburgh to participate in the second annual international youth hostel festival, in which 32 nations will be represented.

Each group will discuss and illustrate song, dance, folklore, and other aspects of its country's culture. The festival will be followed by a nine-day hike from Edinburgh to Glasgow.

The Israel delegates, Messrs. Dan Ronan, Mordecai Shneider, Moshe Krivitsky, and Aviv Meitser, and Misses Hava Sheri, Aviva Tenachi, and Nitza Broida, were selected by a committee composed of representatives of the Ministry of Education and Culture, the Foreign Ministry, the Youth Hostel Association, and the Folk Dance Section of the Histadrut Executive.

After the festival's conclusion, Israel Embassies in Britain and France will arrange meetings between the Israel delegation and Jewish youth in those countries.

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Casablanca Aliya Camp Inmates Panicky; Applicants Rejected

NEW YORK, Monday (INA). — Jews in the camp of the Kadimah emigration organization, ordered liquidated by the Moroccan authorities last week, have already sold their belongings and have no homes and no work to return to if they do not emigrate. Another 1,500 Moroccan Jews have completed preparations for emigration but the camp can admit no more persons, even though they present themselves at the gate, "The New York Times" reported yesterday from Casablanca.

The dispatch said that the expulsion of Kadimah officials from Morocco means that there will be no key personnel to look after the inmates in the camp. It was pointed out that the organization's officials have posted guards at the camp gate to keep out new arrivals, some of whom were clustered with their belongings at the roadside.

The unheralded arrival of the paper's correspondent aroused the suspicion of the Jews at the camp who are nervous to the point of panic. Having committed themselves to Israel, they fear the consequences of returning to the Moslem community.

The correspondent wrote that it was necessary to make a detour on foot through an open field to find a way into the camp. The scene was bleak. There was an unlovely cluster of barracks, communal houses, and latrines heavily covered at this season with swarms of flies. Mothers nursing infants sat on boxes and bales before tents. The disorder of communal life was divided into crowded family islands.

With the help of a volunteer, interpreter it was possible to communicate with the former inhabitant of a village not far from Marrakesh. He spoke Moroccan Arabic and was obviously alarmed by the questions. He said he was a tenant farmer and had sold his produce from a pushcart in the village. On a good day he would earn 500 francs ($1.20) but recently his Moslem neighbours had begun to boycott him. He was the last Jew to leave the village which once possessed 150 Jews. He said that he had sold his belongings and had spent all the proceeds — nothing was left.

Would Not Return

Why had he decided to emigrate? To be with his brethren in Israel. Had poverty driven him to choose emigration? "He says," the interpreter replied, "If I could make 5,000 francs a day, I would not go back."

A French-speaking bus driver-mechanic from Casablanca said he had made a good living and life had been fine as long as the Jews had French protection. Now the attitude of his neighbours was constantly menacing. He had no faith in the Moroccan Government's assurance that all citizens were equal under the new regime. He had 30,000 francs and his tools as a stake for himself, his wife, children, and mother.

Bill in Knesset Makes First And Last Names Obligatory

Jerusalem Post Knesset Reporter

Every man, woman and child in Israel must have a first and family name according to the Law of Names, introduced in the Knesset yesterday by the Minister of Interior, Mr. I. Bar-Yehuda. The draft law also provides for legal changes of name through marriage, divorce or adoption of children.

Mr. Bar-Yehuda explained that confusion in the registration of residents had arisen through the absence of family names among many Arab communities and among Jewish immigrants from Arab countries. Legislation was also urgent to end the "chaotic situation" in the question of changing names, he said.

The Minister is empowered by the Bill to give a name to anyone who has still not chosen one six months after the law goes into effect. In such cases and insofar as it is possible, the name chosen must be that of the person's grandfather, his father, or his maternal grandfather, in that order of preference.

To prevent misuse of the right to change names, the draft law provides that a name may be changed only once every seven years. A married woman must adopt her husband's family name or join it her maiden name. A divorced woman would have the option of keeping her married name.

The importance of encouraging the adoption of Hebrew names, even by persons who already have surnames, was urged by both speakers in yesterday's debate on this Bill, Mrs. Esther Raziel-Naor (Herut) and Mr. I. Yeshava (Mapai).

Mrs. Raziel-Naor took exception to the phrase "and a woman generally known as his wife," which appears in this and other laws. She said this gave a husband a legal method of shirking his obligations towards the mother of his children.

Mr. Yeshaya questioned the need for a Law of Names and suspected that its real purpose was to "Europeanize" Oriental immigrants. He characterized the Bill's provisions as "interference in the private affairs of the individual."

The debate will be continued.

Social Welfare Bill Passes First Reading

The Social Welfare Services Bill, which was introduced in the Knesset last week by the Deputy Minister for Social Welfare, Dr. I. S. Rosenberg, passed its first reading yesterday without opposition.

The bill imposes on local authorities the obligation of maintaining social welfare offices. It also authorizes them to collect from relatives of needy persons sums expended on their care.

Winding up the debate, Dr. Rosenberg said that henceforth social welfare payments will not be given as a gift, but as a loan. However, repayment would not be demanded unless the financial position of the recipient took a substantial change for the better.

Correcting a figure he gave last week, Dr. Rosenberg said that in 1953/54 the Ministry for Social Welfare took care of 50,700 Jewish families, or 228,000 individuals.

In Jerusalem, 10 per cent of the population is dependent on social welfare assistance; in Tel Aviv 12 per cent, and in Haifa 18 per cent. The average for small towns and villages is even higher — 38 per cent — and in immigrant settlements and ma'barot — 48 per cent.

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Truck Collision Injures 18

Jerusalem Post Reporter

ASHKELON, Monday.—Four persons were seriously injured, and 14 suffered light injuries, in an accident which took place yesterday evening on the old Beersheba road.

A Solel Boneh truck carrying 18 workers from Ashkelon was struck by a second lorry which was trying to overtake it. The vehicle passing is alleged to have struck the cabin of the Solel Boneh truck which overturned into the ditch.

The four seriously injured were taken to Kaplan Hospital. The others received first aid.

The two drivers, Avraham Rachmani and Shmuel Moskowitz, were charged, then released on bail.

While the Solel Boneh truck was being driven to the police station at Ashkelon, it was involved in a second collision. This time the victim was a cyclist, who suffered a broken shoulder. He was taken to the Kaplan Hospital.

LORRY HURTS WOMAN

HAIFA, Monday. — Mrs. Lucia Lieser, 50, of Caesarea, was seriously injured this morning when she was knocked down by a lorry as she crossed the Haifa-Tel Aviv highway at km. 117. She was taken to the Rambam Hospital. The driver was detained.

Tel Aviv Man Burned Fatally on Veranda

TEL AVIV, Monday. — Avraham Zak, 43, was burned to death on the veranda of his flat in 29 Rehov Sokolow last night. It is believed that his clothes caught fire from a gas stove he tried to light.

His wife was badly burned while trying to extinguish the fire. Neighbours, attracted by shrill cries coming from the veranda shortly after midnight, were unable to help in time. *(Itim)*

Tel Aviv Girl Wins Paris Cello Contest

PARIS, Monday (UP). — Dalia Litvak, of Tel Aviv, was among the the four winners of the first prize in a cello competition at the Paris Conservatoire, it was announced today.

The other winners hail from Finland, Italy and Spain. Second prizes were won by cellists from East Germany, Australia and New Zealand.

Cables in Brief

TRUMAN. — Former American President Harry Truman and his wife landed in Britain yesterday from Holland for an 11-day private visit.

BIRDMAN. — A new style birdman crashed to his death from 1,500 metres in Fort Worth, Texas, when his "flying wing" device plunged out of control. Charles Hilburn, 24, was towed aloft by an aircraft and then cut loose. He circled briefly as planned, and then the device went into a steep dive and crashed.

REPRIEVED. — Private Renn, 19, British national serviceman sentenced to death in Western Germany for the murder of a fellow soldier has been reprieved, it was announced in London yesterday.

Burns Sees Nutting

LONDON, Monday (Reuter). The Chief of Staff of the U.N. Truce Supervision Organization, General E. L. M. Burns, called on the British Minister of State at the Foreign Office, Mr. Anthony Nutting, today.

Gen. Burns is on his way back to the Middle East from New York, where he attended the recent U.N. Security Council session on the Israel-Arab dispute.

Hatzor Finds On Display in Tel Aviv

TEL AVIV, Monday. — Part of the finds at the Hatzor excavations went on exhibit at the Municipal Museum here today. They include the holy of holies of a Canaanite temple.

Dr. Yigael Yadin, who directs the excavations, stressed the artistic value of the exhibits when he opened the show. The ancients, he said, can compete with the new horizons exhibition which occupies another part of the Museum at present.

Digging at Hatzor will be resumed in three weeks, Dr. Yadin said. *(Itim)*

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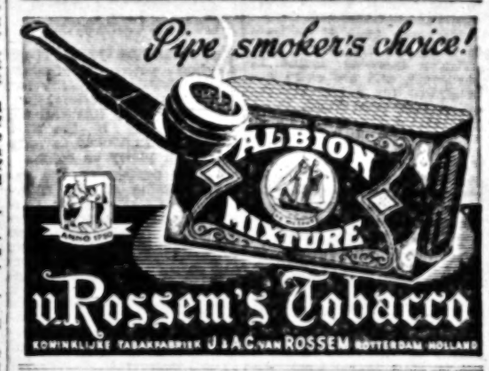

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Economic News from Abroad

U.S. Prices

● U.S. prices, which were relatively stable during the past three years, have resumed their advance. Farm products rose 7 per cent in the first quarter of 1956 (though food costs have somewhat declined during the year), and non-farm products 5.5 per cent. The increases have been concentrated in the strong capital goods lines: machinery and automotive products are now almost 8 per cent dearer than a year ago, metals and metal products over 11 per cent, pulp and paper 8 per cent, rubber goods 5 per cent. Furniture and household goods went up only 2.5 per cent and textiles even less. In view of the continuing pressure for higher wages, which is likely to come to a head in the late summer, the rising price trend is expected to continue for the time being.

Japanese Technical Aid

● With Government backing, Japanese industrialists are planning a large-scale export drive supported by long-term credits and technical aid, in order to forestall British and West German trade activity in South-East Asian markets. A mission sponsored by Keidanren, the powerful Federation of Economic Organizations, returned from a fact-finding tour with favourable reports. South Vietnam seeks Japanese help in the establishment of ship-yards and air overhaul factories; Pakistan for cement, sugar and machine-manufacturing plants; Cambodia for railway and port development; while Burma is prepared to enter into a triangular arrangement under which Germany will construct and Japan maintain steel manufacturing plants.

Italy's Film Crisis

● After ten years of uninterrupted growth, which turned the Italian film industry into the largest in Europe, it is now on the verge of collapse. The Minerva company, one of the biggest film producers and distributors, has been declared bankrupt with a deficit of over $8m. and several other companies are in grave difficulties. The immediate cause of the crisis is the lapse of the old film law and the discontinuation of the Government subsidy from which most films benefited at the rate of 15 per cent of the gross box office take. The subsidy is to be reintroduced shortly on a reduced scale, but the industry also lacks capital reserves and many firms resort to promissory notes at high interest rates. Production costs have also risen considerably with the growing need to produce more films in colour and in Cinemascope and as a result of the ever rising demands of Italian stars and directors with international reputations. The Italian market can no longer cover the increased costs, but in order to get a hold in foreign markets international stars are often necessary, and they demand even higher salaries.

Iraq's Development Plans

● Iraq's oil earnings will reach £464m. in the next five years, if based on present oil output, costs and prices, it has been officially stated. The revenue is to be spent on development projects — mainly irrigation, drainage, roads and bridges.

Seventeen Nation Cotton Conference

DELEGATES to a 17-nation cotton conference which ended at Munich last week warned of possible repercussions on the international cotton market if the U.S. failed to announce a new long-term policy on cotton.

At the conference, the annual meeting of the International Federation of Cotton and Allied Textile Representatives, the Federation President Marcel Fremaux (France) said American cotton policy had filled the industry with concern for a long time. Cotton purchasers feared that short-term measures to help American growers would greatly disturb the cotton market from one day to the next.

Dr. Kurt Kloetzner, Secretary of the West German Cotton Weaving Industry Association, said later that if the U.S. put her growing cotton surplus on the market suddenly it could cause far-reaching political repercussions in several countries.

He mentioned Egypt, Pakistan, India and some South American countries.

Merchant Fleet Neglected

By AKIVA GOVRIN, M.K.

THE serious and deeply disturbing state our marine traffic has fallen into is apparently of little interest to our public and press. Only recently the Italian Chamber of Shipping, which is a semi-official body, circularized all Italian shipping companies and their agents throughout the world calling their attention to the Arab anti-Israel embargo, and noting that the Chamber would be unable to protect the companies against Arab sanctions if they continued to maintain their connections with Israel.

At the Sixth U.N. Economic Convention, Mr. Moshe Bartur, the Director of the Economic Department of the Foreign Ministry, condemned the Arabs' economic boycott, their violation of freedom of the seas and their black-listing of ships trading with Israel.

For some reason or other, our press does not feel bound to comment on such items, implying that no good would come of our discussing the matter again and again among ourselves, and that it surely would not settle the problems of our land and sea frontiers. But then our papers published a news item saying that the Government, the Shilumim Corporation and other economic institutions are getting together to set up a shipyard for Israel. This is a matter which we alone can control and which is entirely up to us, a matter which strengthens our position somewhat. Now this item also merited no public response or reaction.

Perhaps it is no matter for wonder. A nation which is top blind to see that its security and independence depend to a considerable extent on its sea frontier can hardly be expected to go out and conquer the sea.

It must be understood that our economic independence will be based not only on agriculture, industry and our natural resources but on seafaring as well. The Norwegians, who are a comparatively small people, have 600,000 seafarers who earn some 40 per cent of their country's foreign currency income.

Reliable sources say that an appreciable part of their fruit transport fleet gets renewed from the fees earned by transporting Israel citrus. And not only the Norwegians, but seafarers from other nations reach our shores and profit from the sea's bounty. Only we lag behind. In the ninth year of the State's existence, lying athwart two seas, we have 1,535 sailors; that is the number of seafarers produced by a pioneering generation of hardy adventurers.

If we complain about flyby-night occupations and rootlessness and the desire to turn to real productivity, we must seek these out everywhere. And here the sea lies spread out before us and provides an honourable livelihood for whoever goes down to it. Nevertheless, we have turned our backs on it. We seem to be blind when it comes to the sea, we seem to lack zeal and the simple ability to calculate. From 1949/50 to 55/56 we invested IL322m. in agriculture from the Development Budgets, while we invested in the maritime industry only IL35m., of which sum we took IL15m. for improving our harbours.

Our forefathers coined a saying: the sea takes generously and gives back bountifully. And since our investments in the sea were of the slightest, we have seen only one side of the coin — the taking side. Our maritime trade balance attests to that.

The number of ships under the Israel flag in 1955 was 85, with a total capacity of 129,695 tons, including four passenger vessels which can carry 1,988 passengers.

DEVELOPMENT OF ISRAEL MERCHANT FLEET — 1949-55

	Total Ships		Passenger and Immigrant Ships		Cargo Boats		Tankers	
	No.	Capacity	No.	Passenger Capacity	No.	Load	No.	Load
May 1949	33	34,672	7	3,980	22	40,375	—	—
1950	39	74,544	4	1,750	35	87,902	—	—
1951	38	94,711	4	1,750	34	114,217	—	—
1952	31	111,944	3	1,480	28	137,788	—	—
1953	31	119,809	3	1,555	28	137,388	—	—
1954	39	156,233	3	1,555	35	138,318	1	10,400
1955	35	159,695	4	1,988	29	139,169(*)	2	20,900

(*) Including load of s.s. Israel, mixed.

PART OF ISRAEL FLAG IN ISRAEL MERCHANT MARINE TRANSPORT

	Travellers to and from Israel in 1000		Israel Foreign trade cargo transport (1000't)		
	Total traffic	Israel Ships	Total foreign sea trade	Israel Ships	%
1949	316	122-53%	1,948	92	2.3
1950	157	76-49%	2,434	201	8.3
1951	115	49-43%	2,706	327	12.1
1952	65	44-67%	2,469	373	15.1
1953	89	58-64%	2,694	521	19.3
1954	62	37-60%	3,294	584	17.9
1955	91	51-56%	3,823	754	20.8

In 1955, passenger traffic to and from Israel in Israel ships made up 56 per cent of our passenger traffic. Israel foreign sea commerce that year amounted to 3,823,000 tons, with Israel shipping taking 20.8 per cent of this transport.

In 1949-55 our total transport fees amounted to $309.3m. of which ships under the Israel flag accounted for $86.8m., and ships under foreign flags for $222.5m. The foreign transport earnings of ships under the Israel flag came to $14m. Our transport deficit therefore came to $208.5m.

On the basis of these figures we can try to arrive at an estimate of our maritime trade balance for 1949-1955, if we accept the premises that:

● A. The foreign ships transporting our goods return to the State (in taxes and fees for harbour services) part of the fees paid to them. That part is estimated at about 10 per cent (some say 15 per cent) of our total outlay on sea transport. Hence

Our total expenditure on transport under foreign flags in 1949-55 was:	$222.5m.
The amount returned to our harbours	$ 22.2m.
Net expediture on transport under foreign flags	$200.3m.

● B. The operation of Israel ships is bound up with their outlay of foreign currency or its equivalent. Only the surplus income over expenditure in foreign currency constitutes the added value which is the net income of the State from shipping. This net income for 1949-55 is estimated, on the average, at 25 per cent of the turnover. To that percentage we must add 10 per cent more, which is the outlay for taxes and fees in Israel harbours. Hence,

The turnover of Israel shipping from maritime trade was	$ 95,400,000
The total turnover of Israel shipping from foreign transport	$ 14,600,000
Total	$100,000,000
Minus added value	$25,100,000
Plus fees and taxes in Israel harbours	$10,000,000 $ 35,100,000
Israel Shipping Expenditure in foreign currency or value thereof	$ 65,300,000
Thus the sea transport deficit for 1949-55 was	$208.6m.

And that is not all, for even if we had foregone our income from foreign transport all these years, and our merchant marine had carried only half of our sea trade capacity — and for obvious reasons it is unable to transport more — we have lost $25m. for nothing.

Had we known how to draw up our maritime balance sheet we should have been able to receive loans to purchase ships for our own services and could have long repaid both the interest and capital. There were international lenders on hand at the time. Besides, if we had more ships we would add more manpower both at sea and on land, since it is a recognized fact that every seafarer maintains two additional breadwinners on land. Loss is loss; it is a loss of sailors for Israel and a loss of Jewish money. With our own hands we dropped it to the bottom of the sea.

Maritime Deficit

You may ask, why bring this up now? Why cry over spilt milk? If we draw up our maritime trade balance sheet for 1955 with the knowledge that the added value of Israel shipping, thanks to the effort the Shilumim Company is making for sea trade, rose in 1955 to 28.3 per cent of its total income, we find that the maritime trade deficit came in 1955 to $42,600,000.

To sum up: in the eighth year of the existence of the State of Israel we dropped to the sea bottom almost all the earnings we realized that year for the best and greatest export of our State — citrus — in addition to millions more.

The question now is, do we intend to continue with those losses or not? If we do not, but hope to wrest a livelihood from the sea, our approach to seafaring must undergo a radical change.

ANATOMY OF FOREIGN CURRENCY SPENDING

By Our Economic Editor

THE planned expenditure of $480m. during the current budget year cannot be compared directly with previous budgets without taking into account the modifications that have taken place both in our spending habits and in budgeting methods. In the official publication the comparative figures for 1955/56 add up to $402m., which amounts to an increase of 20 per cent. However, the original budget for that year was only $368m., to which was added $18m. as a result of more inclusive accounting and $16m. as an additional allocation for emergency stockpiling.

Actual expenditure rose as high as $419m. last year, i.e. more than 8 per cent above the original estimates. This excess of $33m. has been paralleled by a rise of $18m. in net foreign currency indebtedness. This means an increase of $44m. in the State's debts (to a total of $480m. at the end of last March) against a rise of $26m. in the Bank of Israel's foreign currency holdings (to $65m.). Two-thirds of the increase in debts was of a long-term nature (mainly Independence and Development Loans), but medium-term debts also rose from $30m. to $45m. Short-term commitments and Treasury guarantees decreased however.

In 1956/57 loans also form a considerable part of the revenue planned; $40m. is expected from the Development Loan and another $20m. from the Eximbank, i.e. over 12 per cent of the total. Though an amount of $41.5m. for "debt repayment and reserves" is included in expenditure, it will not suffice to prevent total indebtedness from rising further. Moreover, it is very unlikely that the whole of it will be spent on scaling down past debts. In 1955/56 a sum of $22.5m. was allocated under this heading, but $5.4m. transferred to other purposes.

Period	Gross Export	Imports for Exports	Net Exports
1953/54 (Estimates)	$ 56.3m.	$99.0m.	$26.30m.
1954/55 (Estimates)	$ 78.0m.	$41.50m.	$36.50m.
1955/56 (Estimates)	$ 90.0m.	$50.75m.	$39.25m.
1955/56 (Actuals)	$ 87.4m.	$53.90m.	$33.50m.
1956/57 (Estimates)	$102.6m.	$54.50m.	$47.50m.

Other Sources

Of the rest, two thirds will be provided by the four "aid and compensation" items: U.J.A. and the National Funds' contributions are expected to double so as to reach $92.m. (in cash and kind) after the Consolidation Loan had been paid off, and in view of the necessity for rescuing North African Jewry; German Reparations will again supply $83m.; another $52m. is to come from the U.S. grant-in-aid and $30m. in agricultural surpluses sold in Israel currency; and $53m. coming from restitution, pensions, gifts and capital transfers. This last item plays only a minor part now. Significantly, sales of Israel securities abroad are estimated at only $0.25m., this too being a rise of 25 per cent over last year's figure.

The remaining third is of particular importance, of course, and it consists of our export proceeds. In the "visible" items (i.e. export of goods) a rise of $7m. is forecast by the Treasury experts to a total of $102m., which is a far cry from the grandiloquent announcements of a new export drive in the near future. Moreover, of this rise $2m. is to come from citrus, which still profits from the Spanish frost, and $2.5m. from diamonds, which are a special case.

However, exports of textiles and wearing apparel are to expand by 36 per cent (an added $1.8m.), of building materials — i.e. mainly cement—by 30 per cent ($1.6m.) and of agricultural products by 40 per cent ($1.1m.). Smaller advances are expected in chemicals, rubber goods, light industrial products and industrial raw materials. On the other hand, exports of motor vehicles (including spare parts) have been put at $4.35m., a drop of $2.65m. from last year's estimate. The minerals' target has also been cut by $1m. (to $2.6m.) in spite of the progress reported from the Dead Sea and Negev works. Food products, metal goods, leather articles and "various" manufactures are also expected to decline. It must also be borne in mind that the Treasury's export forecasts have proved to be a rather unreliable guide in the past.

The above figures are only of gross proceeds. In order to be put in the right perspective they must be set against the foreign currency outlay required for achieving these exports. Though no exact picture is to be obtained from the published data *(inter alia,* because of the uneven accounting methods), the following set of figures may serve as a useful approximation:

While estimated export proceeds have advanced by $46m. since 1953/54, the rise of net exports was much less impressive. As a matter of fact they seem to have declined last year. This may be only partly explained by increased stockpiling and by the inclusion of "finishing transactions" (mainly in diamonds and textiles), in the export totals. But then the sudden jump of the net figures that is expected for the current year should be reconciled by assuming that a part of the accumulated material stocks is being used up, i.e. that in reality the "added value" will increase at a slower rate. The apparent rate of the "added value" was 45 per cent for the first two years, but for 1955/56 it was 42 (estimated) or 39 (actual). For the current year, 45 per cent has again been assumed.

This is the first of two articles.

Strictures on Housing Policy

By a Special Correspondent

SEVERE strictures on the "unproductive" tendencies prevailing in building activity, including public housing, in recent years are contained in a chapter of the Bank of Israel's first annual report. The amount invested in building last year completed residential building was 1,06m. sq. metres (1955) was IL212m., i.e. 38 per cent of the total investments made in the country (compared with per 40 per cent and over in the two preceding years), but the share of non-residential building (industrial, commercial, office, hotels and public buildings) declined to a mere 10 per cent against 15 in 1954 and 26 in 1953.

Housing Doubled

Housing for new immigrants exactly doubled last year (247,000 sq. m. at a cost of IL33m.) but it was still a mere 17 per cent of residential building, compared with 24 per cent in 1953 and 27 per cent in 1952. Moreover, a growing portion of government-financed housing schemes has been diverted for supplying the needs of the established population: in the years 1954-55 this portion reached 30 per cent. To sum up, only one quarter of the total housing erected in 1955 is classed in the report as vital, i.e., serving to absorb immigrants or contributing to establishment of agricultural settlements.

To be sure, this calculation does not take into account the obsolescence of existing residential buildings nor the natural increase of the local population, which make considerable building necessary just to maintain the present housing standard. Though no authoritative estimate of these long-run requirements has ever been published, it can be tentatively put at about 25,000 rooms annually, that is, some 750,000 sq. metres. In 1954 and in 1955 — 1.57m.—double the minimum. Even taking into account immigration and the special housing needs of the *ma'barot* dwellers (who still number 30,000 families) there evidently was an excess above the minimum requirements.

Another criticism is levelled at the geographic distribution of housing activity. Rural areas shared only 45 per cent of public housing in 1955, compared with 60 in the two preceding years, while in private housing schemes their share was only 12 per cent (though paradoxically this was double the average percentage of the three preceding years). This distribution is a natural concomitant of the fact mentioned above that the bulk of residential building serves to improve the standard of living of the existing population and not to provide housing facilities for settlers in development areas. Private building accounted for almost 80 per cent of all urban housing schemes in 1955 and for over 40 per cent of those in rural areas.

In financing building activities, the Government plays a predominant part in that it provides the bulk of the credits. These made up over a quarter of total investments last year, namely IL 58m. Of this, however, only IL22m. went to urban housing, for there the would-be occupants were ready to invest considerable amounts of their own money.

More Produce Brings on Higher Prices

By Our Economic Correspondent

DURING the last three years cotton growing has expanded to 59,000 dunams. This is a remarkable achievement, since cotton is a new crop and three years is a very short time for finding out about soil conditions and climate, training workers for picking and organizing ginning and transport. And the 59,000 dunams are only a beginning. As the variety grown in Israel is of good quality and average yields are satisfactory, it is planned to expand cotton growing up to 150,000 dunams in the near future. We thus approach the point where we shall be able to satisfy the demands of local factories for raw materials and may even have something left over for export.

The very rapidity of progress makes it imperative to ensure that the growing amount of local cotton should not become a drain on the economy. In other words, the price of local cotton is an issue of first-class importance. In the first experimental stages it does not matter much if a kilo of Israel cotton is more expensive than the imported product. Once the factories base their manufacturing on home-grown crops higher output means higher subsidies, higher priced textile goods for the local consumer and difficulties for textile exports.

Dollars Cost More

The case of cotton is not the only one in which this problem appears. It is well known to exporters of tomato juice, who pay almost three times as much for home grown tomatoes as the Italian manufacturer does. But neither the industrialist nor the farmer shoulders the whole burden of this price difference when competing with Italian produce in the international market. The government comes in with a handsome subsidy. With other items of agricultural exports the position is similar. The growers and the manufacturers are unable to export without government help.

Lately attempts have been made to find out the price of the dollar which we earn by agricultural exports, or by growing produce locally instead of importing. In almost every case the price of the dollar earned is higher than the official rate of IL1,800.

This is due to various causes. The local farmer pays heavily for oil, spare parts, water and interest on short-term loans. Where picking is done by hand, expenses are heavy, since workers must be trained and working-norms are often low.

Price Level

There is a close connection between the general price level in the country and the price we have to pay for agricultural produce. Cotton growers, for instance, now demand 15 pruta more for the kilo than last year, since wages have gone up. If the general wage rise comes into effect in more and more branches of industry growers will find that their production costs go up as well. This is unavoidable in an economy where the principle of cost-plus has not yet lost its power.

During the last few years we have seen that when greater quantities of produce brought prices down the farmer either limited his output or asked for higher subsidies. There is no use blaming him for this attitude as he acts only in accordance with the general attitude of producers and consumers alike. It should not be overlooked, of course, that in many cases this pernicious trend has been checked by exertions to lower production costs, by saving labour and streamlining working methods. But the fact remains that this streamlining is not general enough and not rapid enough to make up for mounting costs.

The demand of the cotton growers for another 15 pruta per kilo — which the manufacturers refuse to pay, and which will probably have to be covered by a higher subsidy — presents two different problems. The first one is that of production costs in this particular branch of farming. It can be solved partly by raising norms for pickers, a certain amount of additional mechanization, the streamlining of transport and so on.

In addition there is the broader question of production costs in general, which the cotton-growers are unable to solve alone. Mounting costs in one part of the economy produce a chain reaction which makes costs rise all along the line. The dollar earned by substituting local production for imported goods becomes more expensive and does not amount to IL1,800 any longer, but to IL 2.150 or IL2.250. We arrive at an unofficial devaluation of the pound by the roundabout way of rising production costs.

We could become reconciled to this process if it would help us raise exports on a considerable scale. But this is very doubtful. Such a raising of exports — or saving imports by local production, which is just as valuable — will have its healing effect on the economy on one condition only: that it help us close the difference in price level between the local and the international market, and thus open the way to an improvement in the balance of payments.

This will not happen as long as the producer can make up for higher costs out of subsidies, thus shifting the burden to the tax payer. It will certainly not happen if the Government tries to keep prices stable by imports, thus making available for consumption money which should go for investment. We must escape from the paradoxical position where more produce means not lower prices—but higher subsidies.

Stocks and Commodities

Tel Aviv is Quietly Firm

QUOTATIONS on the Tel Aviv Stock Exchange during the week in review generally held their ground. Because of a bad press, Palestine Potash prefs dipped to 317, but later almost recovered their previous level, registering 327. The recovery came in the wake of an announcement that the change over of those shares into debentures, which was proposed in January, is being effected, and the first coupon of the new debentures will be paid on July 1, '56. Coupons and repayment are based on the £ sterling. Palestine Electric index-linked bonds registered a slight gain due to the May C.o.L. rise of three points. Africa Palestine, too, showed a gain of 3¼ points, on the news of a proposal to the coming annual genera' meeting—for a 7 pe. cent dividend—the first after two years. Ata Ordinary and Kurdaneh suffered through wage difficulties, but later recovered slightly, Ata being quoted at 110¼ on the 17th. There was some liveller interest in Tavel Dollar at the end of the period under review; they were quoted at 69¼ ex coupon June 1 '56. After a retreat of some five points, Bank Leumi shares more than recovered later.

Oil transactions outside the stock exchange remained restricted in spite of the good reports, the price of the Israel Oil Prospectors shares fluctuating around IL13.500.

New York Has a Quiet Recovery

MOVEMENTS were small towards the week-end on Wall Street. The disturbing effect of President Eisenhower's illness was more than compensated for, as shown in the Dow Jones Index for 30 Industrials, which stiffened to 485.91 on Friday, as against 478.29 a week earlier. Steels were depressed at the week-end because of Union difficulties, while on the whole the closing tone was firm.

London is Quiet and Steady

THERE was no marked trend on the London Stock Exchange during the week, but dullness was relieved towards the week-end by a focusing of interest on oil shares, especially British Petroleum and Trinidad Oil. Reuter's Industrial Index rose slightly from 215.1 as against 213.1 a week ago. "Markings" were nearly 8,300, just above half the level of a year earlier.

Commodities

THE week's commodity market featured some irregularity in copper, but prices steadied at the close, while tin, zinc and lead were especially firm.

The market in rice has improved lately, with a fairly good demand for this product. After a long decline, rice prices are now rising, the chief reason being that the world rice surplus is diminishing. This gain seems to be caused by barter transactions for rice. Burma, for example, has bartered considerable quantities for Russian cement and other products.

Gold

The official gold price in London was fixed on Thursday at 249s.4-3/4d. The Paris gold market on Friday showed firmness despite the gloomy outlook for the French Government's financial plans. Turnovers include 750 ingots, 15,000 Sovereigns, 90,000 Eagles and 80,000 Napoleons.

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Tel Aviv Stock Market

JUNE 10, 1956

Pop. Loans 1949/'59 (IL.10)	97½
4½% Tavel Dollar 5/'79	69½
4% Comp. Loan 56/'67	62½
4½% War Loan 54/'59	90
5½% Gov. Bds. (large)	99½
4% Reg. Sterling "A"	99½
6% Reg. Israel Currency "B"	97
Pal. Bonovir Bds. Ser. 1	97½
Bk. Leumi ord.sh. d)	185
A.P.B. Investm ord. sh. "B"	104½
Gazit ord. sh. "B"	95½
Elbera's Inv. ord.	151
P.E.C.Inv.ord. "B" h.d.	99½
Gen. Mortg. Bk.ord.sh.	73½
Discn 6% Debs.56/'68	95½
Mtg 6% Debs.(bearer)	90½
5% pref. sh.	85
Pass 4% Debs.60/'64 reg.	79½
"Isra" 5% Debs.	82½
I.L.D.C. ord.sh.reg.	104½
5% Debs.	86
Afr. Pal. Inv.ord.sh.	74½
Rassco 6% pref.ord.sh.d)	89½
Pal. Potash 6%pref.sh.	125
"A" ord. shares	90
Pal.Elec.prf.sh. (Lds.ts)	275
4½%P.E.C.Debs.57/'64	109½* 111½**
Mehorot prof sh.	77
4th ord. "B" sh.	109½
6-9%con.debs.	98½
"Kurdanah"ord. "B"	111½
7%con.debs.58/'68	87½
Mollar-Dec ord.sh.reg. 7)	98½
Pal.-Bromery 6%con.sh.	72½
Assia Bejerano "B" sh.	130
"Teva" ord. sh. d)	104½
Norther 6% debs. "A"	109
Pal. Cold St. 7% debs.	128
ord.sh.reg.(full div.)	197½
Pal. Constr. Tr. 9% debs	94

Notes: a) purchasing price; b) selling price; c) ex-coupons; d) ex-dividend; e) ex right; z) in % of IL1,000; y) in Prutot v) 13.6/13.12; * Dollar; ** Index.

Readers' Letters

COMPENSATION

Editor, The Jerusalem Post

Sir, — Referring to my letter published by you on May 22 and the later report in your paper of May 24 about the appointment by the Minister of Finance of a "special committee to deal with the problems arising out of restitution to victims of Nazi persecution" — the latter in a very vague and reluctant formulation of the terms of reference which does not promise a very quick solution of the burning problem.

But since there are greater things involved than even the relief of the sufferings of thousands of Jews, when the Minister of Finance (or for that purpose the Government) holds back, for nearly three years, millions of pounds which he got as a trustee from the Bonn Government for compensation of Nazi victims, without asking the Knesset for authorization to use it — I have again to ask for precious space in your paper to put the following questions to the Knesset and the State Controller.

Has it escaped their attention that the Government has very considerable sums of money at its disposal, without approval of the Knesset? Do they agree that this state of affairs infringes the highest and most basic prerogative of the parliament in a democratic state — the right to grant or to deny the Government any and every amount of income and expense?

Should not the general public and the Nazi victims deprived of their due be informed where the sums in question are deposited, what use has been made of it until now and on whose ledger they appear?

Yours, etc.
DR. JACOB WEINER
Haifa, May 25.

LP RECORDS

Editor, The Jerusalem Post

Sir, — From his letter published in your issue of May 30, it appears that Dr. E. Karfiol seems to be unaware of the background of record imports. The current import budget does not contain an allocation of foreign currency for records as our limited foreign currency resources must be allocated to higher priority items.

The U.S.A. has made an arrangement within the International Media Guarantee Programme to facilitate the sale of American recorded music against payment in Israel pounds, with the U.S. Treasury converting the pounds into dollars for the American supplier. It is under this programme that American LP records are imported at controlled prices. Since no other country has so far made similar arrangements for its records, the selection in the stores is at present limited to records recorded by American artists in the United States only.

Yours, etc.
A. HIRSCHBERG
Public Relations Director Ministry of Commerce and Industry
Jerusalem, June 13.

Restitution Claims
in Germany
including the
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Dr. F.K. Pappe,
5 Rehov Hahashkim, Haifa.
Tel. 2085. 9 a.m.-1 p.m.
(In the afternoon, Tel. 22165)

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ANOTHER GOLD MEDAL TO
PALALUM

As at previous fairs and exhibitions, PALALUM Kitchen Ware also earned a Gold Medal at TAI 56 — Haifa Industrial Exhibition, for
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